



UNITED STATES ARMY
OFFICE OF BUSINESS TRANSFORMATION

Business Transformation Plan
2011

1 OCTOBER 2010



Certain organizational entities such as the four functionally-aligned Army Core Enterprises and Army Management Enterprise found within the 2011 Army Business Transformation Plan, Business Systems Architecture and Transition Plan and Army Business Initiatives are pending standard Army codification procedure.



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**UNDER SECRETARY OF THE ARMY
WASHINGTON**

OCTOBER 1, 2010

Every day around the globe our Soldiers, Sailors, Marines, Airmen and their Families and our Civilian workforce make unimaginable sacrifices to keep our great country free and safe. No words of thanks could ever equal the gratitude we have for them and their work.

The steadfast support of Congress for our men and women in uniform and civil servants is well known and highly respected by all of us. Because I previously worked in Congress, I am acutely aware how challenging it is for the members to make difficult policy decisions spanning social programs to national security. I commit to you that we will do our part to ensure that the support we have from you is not taken lightly.

On March 1, 2010, I submitted the Army's Report to Congress providing an update on our progress towards implementing the business transformation requirements outlined in Section 908 of the 2009 Duncan Hunter National Defense Authorization Act. As part of the March 2010 submittal, we committed to deliver the 2011 Army Business Transformation Plan by the fiscal year end. This document is that comprehensive plan, and details the Army's business transformation goals, objectives, priority initiatives, and management reform efforts.

The Army 2011 Business Transformation Plan is organized into three sections:

- **Business Transformation Plan.** Provides an executive overview of the strategic framework and vision to align the Army's institutional management with its Force Generation capabilities, the institutional integration approach, and enterprise implementation plan.
- **Business Systems Architecture and Transition Plan.** Details the Army Business Systems Architecture and Transition Plan. This plan utilizes a three-phased implementation strategy that emphasizes end-to-end business processes and creates a strong linkage between architecture development and business systems transition planning.
- **Army Business Initiatives.** Describes priority initiatives that will accelerate Army business process improvement and cost savings. These initiatives include, for example, civilian hiring reform and a new program for Army corrosion prevention and control.

As the Army's chief management officer, I am confident that the Army 2011 Business Transformation Plan will result in real institutional management reform. Through partnership with the Senior Military Leadership, we will accomplish the task of managing our resources for the best possible results.

In closing, we have the right legislation in place to spur business transformation and increase our efforts to generate savings, reduce costs, enhance performance, and create efficiencies. Our Soldiers' ability to complete the mission depends on it. Their families depend on it. The President, Congress and the Secretary of Defense demand it, and as the chief management officer, this is my focus.

Joseph W. Westphal



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A large, faint, semi-transparent version of the Seal of the United States Department of Justice is centered in the background of the page. It features an eagle with wings spread, perched on a shield with vertical stripes. Above the eagle's head is a circular emblem containing a scale of justice and a sword. The entire seal is rendered in a light gray, semi-transparent style.

SECTION I

Business Transformation Plan



INTRODUCTION: THE URGENT NEED FOR CHANGE

On August 31, 2010 the President of the United States announced the formal end of Operation Iraqi Freedom. After nine years of continuous war, incremental homeland security needs, and humanitarian relief support, our personnel have made over a million deployments. As of 25 August, 2010, 3,200 Soldiers have sacrificed their lives and 27,530 have been wounded. Our Army personnel are very much feeling this stress and strain, yet many more years of operations are in front of them. While Operation New Dawn would appear to offer much-needed breathing room, the reality is anything but a slowdown. Just under 50,000 U.S. troops will remain in Iraq to advise, assist, and train Iraqi forces; some will continue the hunt for violent extremists; some will deploy to Afghanistan; and still others will carry on non-combat missions around the globe. Alongside this continued high operating tempo, the Army is faced with huge recapitalization efforts and costs to plan, rebuild, and restore our military readiness to pre-surge levels. Thousands of battle-worn weapons, platforms, and equipment in theatre and at maintenance depots are in need of “reset”, the Army’s process to repair and reinstate materiel assets.

The United States Army is the preeminent land power in the world, with 1.1 million Soldiers and 285,000 civilians -- serving with the support of their Families -- in nearly 80 countries. The total strength of the Army includes the Active force (50 percent), the Army National Guard (30 percent), and the US Army Reserve (20 percent).

In addition, the high troop deployment rates over the past decade have adversely impacted Army institutional readiness. Many home-stationed units have been managing equipment and personnel shortfalls instead of spending time with their families. In rare instances, some combat Soldiers have redeployed with less than one year’s time to recuperate, reset, retrain, and reunite with their families. A Soldier’s training load has increased dramatically over the past decade, given the need for new tactics, technologies, skills, and speed resulting from Operations Enduring Freedom and Iraqi Freedom lessons learned. This is an Army force out of balance. And it’s exacting an alarming toll to our country as evidenced by increasing substance abuse, suicide, and divorce rates among Army personnel.

Finally, throughout Operation Iraqi Freedom and Operation Enduring Freedom, the U.S. Congress continued to help address Army equipment, personnel,

“We are better positioned than ever before to make resource-informed decisions, and accomplish audit initiatives. We can, and we owe it to the warfighter and families to find ways to do that”

**- Dr. Joseph W. Westphal, Under Secretary
& Chief Management Officer,
Department of the Army**



and readiness shortfalls by approving bridge funding and supplemental budgets. While Congressional actions have helped ease the Army's financial constraints in supporting extended combat operations, senior officials are acutely aware that this fiscal policy is neither sustainable nor desirable.

These multiple, protracted stressors are occurring in the Army at a time when the U.S. economic recovery remains fragile and the Congress is dealing with unprecedented demands to fund National priorities.

Furthermore, Defense Secretary Robert Gates has initiated an immediate four-track program to bring increased efficiency and

cost-conscious management to the Department of Defense. Already underway, the Secretary's plan eliminates various defense organizations, reduces contractor support, freezes personnel billets for the next three years, and shifts dollars from overhead spending to force structure and modernization. The Army is moving out under the Secretary of Defense's lead and is aggressively pursuing additional efficiencies.



Army Under Secretary and Chief Management Officer, Joseph W. Westphal (left) and Army Vice Chief of Staff, General Peter W. Chiarelli discuss Army priorities.

In short, the need to reform the Army's institutional management processes -- while continuing to meet Combatant Commander requirements -- has never been more urgent. Changing the "status quo" of Army business management is needed to:

- Better align strategic investment decisions to the Army's Force Generation (ARFORGEN) process (the cyclical set of interdependent training, equipping, and manning activities that culminate in a force ready for military operations)
- Address numerous government performance/accountability and high-risk challenges
- Minimize lifecycle costs to help offset growing military pay and benefits costs, weapons modernization, and force transformation
- Transform business systems and information infrastructures that will free up resources through efficiencies and reduction in waste
- Address rising public expectations for demonstrable results and responsiveness
- Balance resource demands cost-effectively across an ever-expanding set of missions
- Make better use of data to drive materiel and human capital decisions.



Ms. Katherine Hammack, Assistant Secretary of the Army for Installations and Environment and Lieutenant General Rick Lynch, Assistant Chief of Staff for Installation Management & Commander, Installation Management Command re-sign the Army Family Covenant.

As mandated in the 2009 Duncan Hunter National Defense Authorization Act, the Secretary of the Army, acting through the Chief Management Officer is responsible for carrying out an initiative for the business transformation of the Army. The objectives of the business transformation initiative are the; 1) development of a comprehensive business transformation plan to achieve an Integrated Management System for Army business operations; 2) development of well defined enterprise-wide business systems architecture and transition plan encompassing end-to-end business processes and capable of providing accurately and timely information in support of Army business decisions; and 3) implementation of the business transformation plan and

business systems architecture and transition plan. The Secretary of the Army ordered the accomplishment of these mandates by Department of the Army General Order 2010-01.

Business transformation planning and alignment have been ongoing in response to Army needs and congressional legislation. We are now positioned to execute on the processes, goals and objectives cited in the 2011 Business Transformation Plan and deliver measurable cost savings and efficiencies. For example, in an effort to make our Generating Force as expeditionary as our Operating Force, we linked end-to-end business processes, conducted detailed data modeling, and analyzed war costs, which enabled the Army to experience \$3.5B in cost avoidance and \$2.1B in cost savings in fiscal years 2009 and 2010. Another example is our 2011 candidate list of Army business initiatives. Assistant Secretaries of the Army and Army Staff Principles have submitted initiatives that will align people, processes and technology more closely with Army vision and business strategy.

The candidate business initiatives are listed below and summarized in Section III.

1. Cost Culture Business Initiative
2. Financial Management Improvement Plan Business Initiative
3. AcqBusiness Business Initiative
4. Strategic Sourcing Process and Program Governance Business Initiative
5. Procure to Pay Pilot Business Initiative
6. Authoritative Data Business Initiative



7. Business Systems Information Technology Governance Business Initiative
8. Army Campaign Plan 2011 Business Initiative
9. Enterprise Traceability Business Initiative
10. Army Force Generation Business Architecture Business Initiative
11. Army Data Center Consolidation Plan Business Initiative
12. Transfer of the Directorate of Logistics to Army Materiel Command from Installation Management Command Business Initiative
13. Civilian Workforce Transformation Business Initiative
14. Civilian Hiring Reform Business Initiative
15. Army Energy Security and Sustainability Business Initiative
16. Holistic Review of the Army Family Covenant Business Initiative
17. Fleet Planning Business Initiative
18. Army Forums Review Business Initiative
19. Army Civilian Leader Development Business Initiative
20. Fleet Management Expanded Business Initiative
21. Army Item Unique Identification Business Initiative
22. Potential Transfer of Army Materiel Command Special Installations to the Army Installation Management Command Business Initiative
23. Enterprise Email & Calendar Business Initiative
24. Army Enterprise Service Desk Business Initiative
25. Army Corrosion Prevention and Control Business Initiative
26. Secure Mobile Workforce Business Initiative

ARMY BUSINESS

TRANSFORMATION VISION:

A Generating Force that better supports the agile and versatile Operating Force to produce Readiness at Best Value.

Consistent with the Secretary's direction, our singular business transformation goal is to achieve an Integrated Management System that is performance-based and outcome-focused to enable cost-informed decisions and trade-offs for successful management and improvement of the Army's business operations.

Institutional Integration: The Strategic Management Gap

In June 2009, the U.S. Army Forces Command conducted an enterprise analysis, called the RESET Rehearsal of Concept Drill¹, covering all processes, information, and activities feeding Army Force Generation. The event was a foundational step toward institutional integration in that core Army enterprise forums (i.e., human capital, materiel, service/infrastructure, and readiness) worked across functional boundaries to identify process

¹ A Rehearsal of Concept Drill is a tool that ground force commanders use to synchronize, align and coordinate their forces on a terrain model.



Mr. Thomas R. Lamont, Assistant Secretary of the Army (Manpower & Reserve Affairs), provides guidance for the development of the 2011 Army Campaign Plan.

interdependencies, information interfaces, impacts, timelines, and connections. At the RESET Rehearsal of Concept Drill briefing, senior Army leaders and over 300 stakeholders from 19 major agencies and commands gathered to hear the results: how the lifecycle of Soldier and Army readiness could be more agile and efficient. The RESET Rehearsal of Concept Drill is a seminal event in that it marks the first time that the Army Force Generation process was analyzed from end-to-end across the entire Army institution. With guidance from US Army Forces Command, enterprise leaders are continuing to work on a common framework leading to a refined RESET process that is

more effectively synchronized within Army Force Generation.

While the RESET Rehearsal of Concept Drill was a catalyst for institutional integration at the enterprise level, improving business operations at the tactical level is a concurrent focus. In 2008, the Army deployed 19 financial management and contracting systems to move operations in theater from inoperable to working operations. Two years later, similar financial management and contracting system capabilities exist in theater as on US-based installations. These systems allow the Army to pay vendors through the banking systems via Electronic Funds Transfer in lieu of cash. Not only does this reduce the logistical cost of handling cash, but also reduces risk. Soldiers, who no longer need to carry large sums of cash to make payments, reduces the potential for waste, fraud, and abuse; reduces enemy access to US currency, exercises and strengthens host nation banking systems, allows for the detection of money laundering, and mitigates corruption within Army financial and contracting processes.

The RESET Rehearsal of Concept Drill and our improvement to Generating Force functions are just two examples of the profound changes the Army is making to how it generates trained and ready forces and manages resources cost-effectively. However, improving institutional integration is the single most important step to closing the Army's strategic business management gap, and is an evolutionary process involving dramatic cultural change. Over time, improved institutional integration will resolve past inefficiencies.

The 2011 Business Transformation Plan describes how the Army is continuing business process change (i.e. financial, human resource, materiel, etc) to optimally support force generation and instill a stewardship mindset.

This Plan also describes the approach we will take to develop and implement an Integrated Management System to optimize investments supporting our National, Defense, and Army objectives and to provide performance feedback on how well we are achieving those goals. To ensure the objectives of our 2011 Business Transformation Plan are met, we have embedded business transformation initiatives that are being implemented throughout the Army into one central strategic planning document, the Army Campaign Plan – the means by which the Army directs actions and measures progress towards transforming the Army of the 21st Century.



Ms. Mary Sally Matiella, Assistant Secretary for Army for Financial Management & Comptroller, addresses resource management troops and civilian personnel at Camp Arifjan, Kuwait.

The following sections provide an overview of the Army business transformation framework, implementation approach, and next steps.

UNIFYING VISION AND FRAMEWORK FOR BUSINESS TRANSFORMATION

The Army business transformation vision is: A Generating Force that better supports the agile and versatile Operating Force to produce Readiness at Best Value. The business transformation vision is framed around four critical management priorities:

- Develop and implement an Integrated Management System
- Align, integrate and innovate enterprise-wide processes
- Transform business operations
- Adjust culture

The cornerstone of the Army business transformation vision is the accomplishment of our singular goal to achieve an Integrated Management System that is performance-based and outcome-focused to enable cost-informed decisions and trade-offs for successful management of the Army's business operations. To that end, we are aligning and integrating business operations both horizontally across the Army enterprise and vertically, from the field up through external stakeholders such as Department of Defense, Government Accountability Office, and Congress. By its nature, an Integrated Management System and improved enterprise-wide processes will drive



Dr. Malcolm Ross O'Neill, Assistant Secretary of the Army for Acquisition, Logistics and Technology, describes his vision and mission to the Army's acquisition workforce.

the transformation of the Army's budget, finance, accounting, and human resource business operations. To realize our business transformation goal we will focus on two objectives – transforming our business operations and developing and implementing an Integrated Management System. Strong leadership and a complete Army team effort, military and civilian, will bring about the cultural adjustments necessary to achieve our goals and objectives.

Best practices indicate that form should follow function thus initial efforts have been focused on driving enhancements to management functionality including:

- Identifying current Army Integrated Management System maturity levels and developing additional capability where appropriate (see Appendix A for details on the Integrated Management System)
- Creating the Army's first output-based Program Objective Memorandum
- Enhancing the Army Campaign Plan by synchronizing the leadership of the Assistant Secretaries, the Army Staff Principles and the Army Commanders to ensure direct Secretariat leadership, goal alignment, strategic metrics, and active management
- Delivering senior leader development training and cost management certification training to improve costing skills and to drive a cost culture throughout the Army
- Requiring cost benefit analysis for all new or unfunded requests that includes the total cost of the proposal, benefits that will result, the bill-payers required, and the ripple effects of the funding decision
- Leveraging an enterprise management model to create cross functional collaboration to improve senior leader decision-making ability (see Appendix B for details on the enterprise management)
- Reengineering processes identified to improve effectiveness and efficiency of our business operations
- Finding efficiencies consistent with the Secretary Of Defense's guidance and establishing an enduring capability to reduce duplication, overhead, excess, and instill a culture of savings and restraint

For generations, the prevailing management culture within the individual Army organizations has been to fulfill warfighter requirements and make corresponding decisions based on "readiness at any cost". While this operating ethos foremost supported our warfighters, a net effect was redundant processes and systems and suboptimized



Army institutional functions. By focusing the entire organization on the vision of Readiness at Best Value, the Army intends to establish a cost and performance culture in which leaders better understand the full cost of the capabilities they provide and then incorporate cost considerations in planning and decision-making.

Traditionally, opportunities for cross-Army networking and relationship building were limited to individual organizations and programs, making strategic decision making and necessary communications to other areas in the Army quite difficult. The Army transformation vision aims to change this by applying a balanced, open enterprise approach. In turn, collaboration becomes the most effective way to strengthen the Army, particularly during times of economic uncertainty. The strategic advantages are compelling: increased expertise to span the Army; faster, more informed decision making; faster identification, development, and deployment of new products and services for the Combatant Commanders.



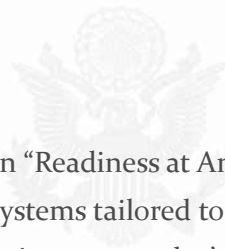
Ms. Jo-Ellen Darcy, Assistant Secretary of the Army for Civil Works visits with participants at America's Great Outdoors Youth Event, Hermosa Park, Los Angeles, CA.

Simply stated, working as a corporate enterprise instead of working in isolation allows Army leadership to obtain knowledge and support from across all organizations. An Army management team operating with the good of the entire Army as its focus – as opposed to the good of individual organizations – yields the business agility needed for dynamic priorities and funding flexibility. In this management model, everyone benefits. The Army is better positioned to gain unified solutions by drawing on the best talent, experience, and knowledge of its institution with better stewardship of taxpayer funds.

It is evident that in this new strategic era, achieving Army versatility and adaptability is only possible by adjusting our culture while we focus on two objectives – transforming our business operations and developing and implementing an Integrated Management System. Therefore, the Army is proceeding concurrently on two paths: long-term transformational change and near-term business improvements. Both paths are summarized in the sections below.

LONG-TERM CHANGE: AN INTEGRATED MANAGEMENT SYSTEM

The purpose of the Integrated Management System is to help leadership make better resource-informed decisions



resulting in “Readiness at Best Value” rather than “Readiness at Any Cost.” Currently, the Army management structure is composed of various management systems tailored to specific areas (logistics, finance, human resources, etc.). Though effective in their respective areas, today’s complex and rapidly changing environment requires a holistic view of the Army. To achieve an integrated management system, the Army must align with the Department of Defense. We must make a concerted effort to integrate business operations across the Army’s various functional areas. This means arriving at a common set of outcomes for the entire Army to work towards identifying and aligning measurable objectives, establishing performance metrics, measuring and monitoring performance, establishing feedback mechanisms, and adjusting processes as needed based on lessons learned. The benefits of an Integrated Management System are enormous. Much more than just measuring performance, the system focuses the entire Army toward results. The Army will focus on achieving better performance – whether it be obtaining clean financial audits or reducing cycle times on a manufacturing line. The Integrated Management System is a framework for guiding the entire Army to improved business operations. Outcomes are universally known and effectively articulated and metrics are linked together to reveal how business processes impact one another and how taken together they all contribute to the organization’s performance. Leadership has clarity on what matters most to the organization – and resource-informed decisions can be made easily as the root causes of business challenges can be quickly identified and eliminated.

A Single Strategic Framework for the Integrated Management System

To solve large, complex challenges, the Army needs to think, act, and operate as an enterprise. We created functional communities of purpose to help us align, and integrate our efforts. The Army’s four Core Enterprises are primarily focused on collaboratively executing and improving Army Force Generation whereas the Army Management Enterprise is primarily focused on long-term resource, programs and strategy. We achieve horizontal synchronization through collaboration within and between the Core Enterprises and with holistic oversight provided by duly constituted authorities which comprise the Army Management Enterprise. In this way, the Army’s enterprise governance approach promotes collaboration, finds innovative Army-wide solutions, learns, decides and acts faster – enabling the Generating Force to be more adaptive to changing operational and resourcing environments.

The Integrated Management System is focused on combining ongoing work and new business transformation initiatives to achieve the Army’s Calendar Year 2010 Objectives and Army Campaign Plan 2011 Objectives, all of which support the Army’s outcomes. The ultimate benefit of an Integrated Management System for the Army will be the ability to assess the long-term health and business operation performance as senior leaders collectively work together to achieve common enduring outcomes. This system will allow senior leaders to leverage performance measures as evidence and inform the relationship of resource inputs through processes and outputs to enduring Army outcomes. The result will be a disciplined, systematic way to understand return on investments and improve stewardship of resources.



For more information on the elements of the Army Integrated Management System, see Appendix A.

NEAR-TERM GAINS: CONTINUOUS PROCESS IMPROVEMENT

To achieve near-term results concurrent with implementing an Integrated Management System, we are using a top-down approach to developing a culture of continuous process improvement. This approach contains the following focus areas:

- Mapping and integrating the Army's management enterprise for strategic alignment and integration
- Bringing operational adaptability and agility to our institutional functions through the use of Continuous Process Improvement in the theater of operations
- Continually progressing from grass roots efforts to more complex enterprise level projects
- Expanding the education of our Continuous Process Improvement practitioners with new skills and tools
- Adapting and empowering the Army workforce
- Developing education and communication that prepares our military and civilian senior leadership with a new vision of how the Army can operate in the 21st Century

Within our business processes, we are increasing performance by analyzing and improving the areas of reliability, process cycle times, costs in terms of less total resource consumption, quality, and productivity. These activities provide incremental performance improvements to long-standing, yet valid approaches to our core business. At other times, the process might undergo a more innovative approach, meaning that we reexamine the fundamental tenets of the process.

At all times, we will understand, examine, and challenge the process' core activities and their interaction (input and output) with other processes. Processes are assets of an organization, much like people, facilities, equipment and information. Our management and solid understanding of our processes will pay off in terms of organizational performance. Processes, moreover, are somewhat special in that they are the transports that synchronize the other assets and aspects of change. They are the organizing framework, that is, the glue for all other components.

Lean Six Sigma

The Army continues to improve performance through the use of the Army's Lean Six Sigma Program – one of the largest Lean Six Sigma deployment efforts in the Nation. Lean Six Sigma is a business management strategy originally developed for use in the private sector. Lean Six Sigma seeks to improve the quality of process outputs by identifying and removing the causes of defects (errors) and minimizing variability in manufacturing and business processes. It uses a set of quality management and statistical methods, and creates a special infrastructure of people within the organization who are experts in these methods.



Over five years ago we understood that comprehensive transformation of the Army would demand a revolutionary solution. We knew that we needed a team of seasoned Lean Six Sigma professionals with a deep and clear understanding of all aspects of “How the Army Runs”. The Lean Six Sigma Program began with a few driven Lean Six Sigma practitioners doing small projects, picking low-hanging fruit, in small organizations and units across the Army. The program steadily grew over the years, gaining momentum, learning and growing along the way. Today, the Army boasts a cadre of over 6000 Lean Six Sigma trained and certified practitioners capable of routinely taking on enterprise level projects with excellent results.

Lean Six Sigma is the Army’s tool of choice to increase quality, efficiency, and effectiveness while reducing cycle time and variance. Since 2006, we have completed 5,287 projects generating significant financial and operational benefits. There are an additional 1,909 projects are under way. In 2009, the Army submitted \$96.6M worth of projects in an Office of Management and Budget inquiry to support President Obama’s \$100 million savings goal.

Integrating Business Improvement into the Army Campaign Plan

To ensure the objectives of our 2011 Business Transformation Plan become an integral part of how we plan, prepare and execute our business operations, we have imbedded them into our most central planning and execution document, the Army Campaign Plan. The Army Campaign Plan is the means by which the Army directs actions necessary to transform the Operating and Generating Forces and enable a balanced Army of the 21st Century. The Army Campaign Plan also traditionally includes all of our transformational and Service Title 10 activities, and provides guidance for developing our program and budget.

The Army will continue to use the Army Campaign Plan to ensure that all transformation efforts, to include Business Transformation, are captured in the document that drives key actions and activities of the Total Army. The foundation of the Army Campaign Plan is the Army Campaign Plan Strategy Map which depicts the Objectives (ways) that are necessary to accomplish the Army Imperatives (ways) and Army Outcomes (ends). Each Objective serves a key role in focusing the Army’s resources (means)—including people, money and time—ultimately allowing the Army to accomplish its mission.

Aligning the Army Campaign Plan with secretarial goals will pay our Army institution great dividends. We have established a binding connection between strategy, outcomes and resources.

- Mr. Thomas R. Lamont, Assistant Secretary of the Army for Manpower & Reserve Affairs



Additionally, overarching requirements are fundamental to achieving success within all Army Campaign Plan Objectives. Failure to accomplish an Overarching Requirement within the Army Campaign Plan Objectives can result in the Army not fully achieving its desired “ends” (e.g. Imperatives, Outcomes, Vision, and strategic requirements). The Army Campaign Plan 2011 identifies one overarching requirement: Effectively and efficiently allocate and use resources to build the best possible force.

Incorporating Innovation into the Army Campaign Plan

Development of the 2011 Army Campaign Plan is unique in that for the first time Transforming Business Operations is codified within one document that ensures both immediate visibility and the high priority of Business Transformation across the Army. Synchronizing Army Transformation efforts in the Army Campaign Plan minimizes the possibility of redundancies and conflicting guidance. Of the nine Campaign Objectives, three are transformation-focused, which support the Army Imperative: Transform to Meet the Demands of Persistent Conflict in the 21st Century:

- Transform the Generating Force
- Transform the Operating Force
- Transform Business Operations

Army Campaign Plan 2011 ensures all Army

Transformation is codified within one document and that ensures both immediate visibility and the high priority of Business Transformation across the Army. Synchronizing Army Transformation efforts in the Army Campaign Plan minimizes the possibility of redundancies and conflicting guidance. While the Army Campaign Plan has been in use since 2004, this year the Army Campaign Plan takes on a more robust role—a strategic management plan—with meaningful performance measures and objectives to be developed by the end of 2010.

- The Assistant Secretaries of the Army, with the support of the Army Staff, serve as leads of Campaign Objectives overseeing the development of major objectives, their subtasks and the ongoing development of performance metrics.
- The Army management team is incorporating business operations into existing forums—the ongoing meetings that ensure implementation across the Army Enterprise
- Campaign Objective leads (the Assistant Secretaries of the Army) provide routine updates in recurring Army synchronization meetings. As appropriate, Army Campaign Plan topics are brought to enterprise governance forums.

Operationalizing Business Transformation in the Army Campaign Plan helps the Army make timely, informed decisions...support the warfighter & ensure taxpayer dollars are spent wisely and responsibly.

The Army Campaign Plan provides a proven, synchronized process to effectively and efficiently manage all transformation efforts needed to Build a Balanced Army for the 21st Century.



- The Army will operationalize business transformation within the Army Campaign Plan. The overarching requirement across the entire Army Campaign Plan is “Effectively and efficiently allocate and use resources to build the best possible force” with an added foundational requirement to “Incorporate Cost Management into Processes.”

Near-term Improvements to Army Force Generation

Army Force Generation is both an enduring and a core process for the Army. Army Force Generation provides a new perspective on how the Army produces trained and ready forces to support Combatant Commanders on a sustainable basis.

Prior to 2005, the Army used a tiered readiness model whereby unit readiness was scaled to match the priority and likelihood of a unit deploying to meet a contingency mission. This readiness model resulted in some units achieving a higher state of readiness and other units requiring more preparation time to meet contingency mission requirements.

Beginning in 2005, the Army began adapting our processes using a rotational readiness model called Army Force Generation, that is predicated on producing a sustainable and predictable number of military forces to meet a desired level of support for Combatant Commanders. This readiness model begins when a unit returns from deployment and consists of a RESET Phase, a Train/Ready Phase and an Available Phase. Each phase results in a unit progressively preparing for designated or contingency missions. However, Army policies, procedures and thinking have not advanced as rapidly as desired from the previous model of Force Generation which requires us to emphasize a change in culture.

Because Force Generation is a core process, the 2011 Business Transformation Plan will place special emphasis on updating the support for Army Force



Soldiers board aircraft for deployment to Afghanistan.



Generation. A few of the focus areas in support of Army Force Generation are:

- Revising policies and procedures in support of Army Force Generation.
- Transforming the Army Force Generation Business Architecture
- Institutionalizing Sustainment Lessons Learned from Iraq Drawdown Operations
- Synchronizing Delivery of Soldiers in Support of the Total Army Mission
- Conducting Capability Portfolio Reviews



Lieutenant General Jeffrey Sorenson, the Army Chief Information Officer/G6 consistently advocates for enterprise approaches to improve the development and deployment of Army C4/IT network capabilities.

Near-term Improvements to Planning, Programming, Budgeting, and Execution

Another major core process in which the Chief Management Officer has an active leadership interest is the Planning, Programming, Budgeting and Execution cycle. In this financial management cycle, the Army takes a detailed look at requirements and priorities across the Army Enterprise to ensure they are sufficient to meet the objectives of the Army Campaign Plan. Once requirements are properly identified, then we must align our resources and transform our processes to enable us to meet our objectives. As part of our transformation, we are intensively reviewing this requirements process, since identifying the most essential needs of the warfighter is the first critical step in the full life-cycle of financial management.

The Army is currently implementing the Planning, Programming, Budgeting and Execution process and procedures changes outlined in Deputy Secretary of Defense William Lynn's memo regarding Fiscal 2012 – 2016 integrated Program/Budget Review. Those key changes include:

- Consolidation of the Guidance for the Development Force and the Joint Programming Guidance into a single document now called the Defense Planning and Programming Guidance

“Everyone in the Army, from the headquarters to the unit level, must own the audit and the necessary process improvements to obtain a clean audit opinion.”

**- Ms. Mary Sally Matiella
Assistant Secretary of the Army for Financial
Management & Comptroller**



- Development of Single Year budgets
- Program/Budget reviews focused on a five year period each cycle
- Front-end assessments to allow the identification and discussion of major strategic issues that will impact resource allocations during the year

TRANSFORMATION TOOLS

This section highlights various components and efforts that will drive our business transformation efforts.

Continued Alignment with Department of Defense Business Transformation

The Army recognizes the importance of aligning with the Department of Defense's Core Business Missions, their Strategic Management Plan, the 2010 Performance Budget, and the Department of Defense Business Enterprise Architecture. We will continue to achieve this alignment through frequent and periodic senior leader reviews and through ongoing collaboration with the Department of Defense's Deputy Chief Management Officer.

Additionally, the business priorities within the Office of the Secretary of Defense Strategic Management Plan are the following:

1) Support the All-Volunteer Force; 2)

Support contingency business operations;

3) Reform the Department of Defense Acquisition Support Processes; 4) Enhance the civilian workforce; 5)

Strengthen Department of Defense financial management. These priorities will help inform how the Army's strategic choices, goals and objectives support the Office of the Secretary of Defense's Strategic Management Plan.



Dr. Joseph W. Westphal, Under Secretary and Chief Management Officer for the Army testifies before members of Congress with Ms. Beth McGrath, Deputy Chief Management Officer for the Department of Defense.



(From right) Air Force Under Secretary Erin Conaton, Navy Under Secretary Robert Work, Army Under Secretary Joseph Westphal testify before members of Congress along with Ms. Beth McGrath, Deputy Chief Management Officer for the Department of Defense.



The Army also coordinates horizontally with the other Services to ensure we develop common business system architectures and find efficiencies in the way we operate across the department. Chief Management Officers within the Department of Defense meet frequently to coordinate our priorities. For example, the Defense Business Systems Management Committee meets regularly to not only certify Information Technology investments across the Department of Defense, but also to address strategic business issues that range from security cooperation efforts to financial improvement and audit readiness.

Business Systems Architecture and Transition Plan

The Army Business Systems Architecture and Transition Plan utilizes a three-phased implementation strategy that emphasizes the Business Enterprise Architecture's 15 end-to-end business processes to create a strong linkage between architecture development and business systems transition planning.

To review the complete Army Business Systems Architecture and Transition Plan see Section II.

TRANSFORMATION LEADERSHIP AND PRIORITIES

This section highlights key leadership roles and the set of priority business initiatives that will serve to drive change.

Role of Army Chief Management Officer

The 2008 National Defense Authorization Act established the position of the Chief Management Officer and directed the Under Secretary of the Army as the primary manager of business operations within the Army. In this capacity, the Chief Management Officer focuses on managing and improving business processes. This includes managing our two functionally aligned senior leader forums, the Army Enterprise Board and the Army Management Enterprise.

Enterprise Governance Structures

The Army understands the value of an integrated approach vice a “stovepipe” approach. In May 2009, the Army took two significant steps to facilitate better communication and start integrating all levels of the Army's efforts through the establishment of the Army Enterprise Board and Core Enterprises. The Army Enterprise Board is a strategic advisory body to the Secretary of the Army on intra-Army issues. What makes the Army Enterprise Board effective is that the various Army Assistant Secretaries are linked with the corresponding Army Command counterparts.

These pairings, of which there are three, are known as Core Enterprises and each corresponds to a specific capability (personnel, materiel, installations). The Readiness Core Enterprise is solely led by an Army Command. They all review and comment on issues affecting the Army and create a holistic team approach towards solving



critical issues. Cross-domain problems are now exposed in the full light of a multifaceted team that brings a broad range and depth of experiences to improving the Army's strategy and the Army Enterprise. This horizontal integration and coordination strengthen the decision-making process and ensures that current and emerging challenges will be addressed promptly and completely.

For most of 2010, the Army has been organizing boards and other forums to start accomplishing the task of developing our Integrated Management System. For example, we initiated the Army Management Enterprise which is envisioned to be an overarching layer of Army enterprise governance.

When formally approved, the Army Management Enterprise will synchronize and integrate input from the Army's four Core Enterprises to facilitate the planning, organizing, directing, and controlling of the Army's enterprise. Senior Army executives will continue to promote the alignment, integration and innovation of our business processes to improve our transparency and the auditability of our programs.

For more information on the Army's enterprise governance approach see Appendix B.

Office of Business Transformation

To assist the Chief Management Officer in executing the requirements of the 2009 National Defense Authorization Act, the Secretary of the Army established the Office of Business Transformation. The primary role of the Office of Business Transformation is to actively engage and assist the Army in achieving an Integrated Management System.

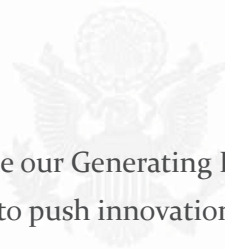
Organizationally, three directorates within the Office of Business Transformation address business transformation planning, operations, and assessment. These directorates are catalysts that are focusing

the Army on business process change. The mission of the Office of Business Transformation is to assist in the transformation of business operations and to facilitate the development and implementation of the Army

"The Army is in the midst of a significant shift in how energy is viewed. We can no longer assume that fuel and power will be available when and where needed. Accomplishing future missions depends on enhancing the security of our energy supplies and sustaining the environment from which they come."

- Ms. Katherine Hammack, Assistant Secretary of the Army for Installations and Environment

The Congressionally mandated Office of Business Transformation, acting on behalf of the Chief Management Officer is assisting and facilitating the execution of three transformation-focused Campaign Objectives.



Integrated Management System. This will enable our Generating Force to become as versatile and agile as the Operating Force. We also depend on the Office to push innovation and drive creative business thinking across the Army enterprise.

Business System Information Technologies Executive Steering Group

Another significant enabler in implementing our 2011 Business Transformation Plan is our improved governance of Business System Information Technologies. The Executive Steering Group focuses on strategic alignment of Army enterprise business information systems, technologies and processes with the Department of Defense; Army enterprise-wide standards and functional requirements, resourcing, and materiel development of business information technology systems; and Army enterprise-wide alignment and integration of cross-functional business information technology and processes. We are implementing commercial off-the-shelf software suites to modernize, streamline and standardize processes used to manage people, money, programs, equipment and supplies. The initial benefits include reducing the cost of operating legacy systems, improving financial compliance, reducing inventory, enhancing data quality, and streamlining business processes. The Office of Business Transformation, in concert with Army business process owners and materiel developers will guide the direction of the Army business system operations and Information Technology program initiatives.

For more information on Army Business System Information Technologies, see Appendix C.

Accountability for Army Outcomes

Army outcomes act as a lens to inform decisions and assess strategic performance. The Army has developed four enduring outcomes, which were refined by Army staff principals at the May 2009 Headquarters Department of the Army offsite. These four outcomes as articulated in the Army Campaign Plan 2011 are listed below:

“My office and the Corps of Engineers are aiming to benefit the environment more than we have in the past. An example being the goal of updating The Principles and Guidelines from the Water Resources Development Act of 2007. Also, the Obama Administration has identified 8 ecosystems in need of restoration and the Principles and Guidelines change of focus will further our efforts with these ecosystem restorations. Changes like this are in concert with the Administration initiative of sustainable practices in government”

- Ms. Jo-Ellen Darcy, Assistant Secretary of the Army for Civil Works



- An All-Volunteer Force of high quality Soldiers, Civilians and Leaders
- Trained and ready units delivered on time for Combatant Commands
- Soldiers, equipment and units restored and reconstituted for Full Spectrum Operations
- An agile, disciplined warrior team that dominates across the spectrum of 21st Century operations

The business transformation effort will map existing measures to the Army Campaign Plan. This will align performance measurements to the strategic plan and link assessments to outcomes. To provide a holistic approach to assessing transformation, the Army will implement performance measures that integrate in two directions: vertically and horizontally.



General Peter W. Chiarelli, Army Vice Chief of Staff (center), eats lunch with Fort Drum Soldiers and discusses suicide prevention and ways to deal with the growing problem.

Vertical integration of performance measures motivates and improves operating performance by focusing all Soldiers and Civilians' efforts on the Army's Campaign Plan Objectives. Horizontal integration of performance measures assures the optimization of work flow across all process and organizational boundaries. These performance measures are customer-focused and assess the enterprise-level capability of a process to provide value from the customer's perspective.

As performance information is gathered and analyzed, opportunities for reengineering and improved allocation of resources will become clear. The Army will benchmark performance for targeting initial improvement priorities. Determination of the largest gaps in performance between the Army's level of performance and the "best practices" level of performance will help make selection of opportunities much more effective. This approach is critical for selecting initial improvement targets. Once the larger gaps are closed or narrowed, continuous improvement is made possible by maintaining, refining and regularly using performance metrics.

"I always say that critical to Army Modernization, is getting The Network onboard."

**- General Pete Chiarelli,
Army Vice Chief of Staff**



Priority Business Initiatives

As part of Army business transformation, the Chief Management Officer is leading an executive-level effort to review and implement Army Force Generation Business Initiatives and intensively review the Planning, Programming, Budgeting and Execution requirements process, since identifying and prioritizing our most essential needs of the warfighters is a critical step in full life-cycle financial management. In addition to these two processes, the Chief Management Officer is championing several business transformation initiatives aimed at improving business operations and warfighter support including streamlining the civilian hiring process, improving contracting service delivery, and improving family and Soldier support programs to name a few.

To review the Army Business Initiatives, see Section III.

NEXT STEPS

The following sections provide a brief overview of the next steps to meet the Army's long- and near-term business transformation objectives:

Implementing the Integrated Management System

The Army will use the Capability Maturity Model, a standard industry best practice, to assess the ongoing efficacy of the Integrated Management System. We will use the seven elements of the Integrated Management System as Key Process Areas within the Capability Maturity Model. We define each Key Process Areas with Maturity Levels based on a five-level process maturity continuum - where the uppermost (fifth) level is a notional ideal state where processes would be systematically managed by a combination of process optimization and continuous process improvement. We will track the seven Key Process Areas as they develop. Each level for each respective Key Process Areas will be defined as to the criteria to advance to next level. This will ensure activities are explicitly linked to the Army's Integrated Management System objectives and provide visibility into the Army's progress in achieving an Integrated Management System.

“Our Continuous Performance Improvement and Lean Six Sigma efforts have significantly improved the efficiency and effectiveness of our operations. In Fiscal Year 2010, we identified an unprecedented \$2 billion in validated cost avoidance across the Program Objectives Memorandum through an improvement to the Mine Resistant Ambush Protected vehicle modernization and upgrade process. This improvement reduced the budget requirements for the program and improved vehicle capabilities focused on the specific needs of the Warfighter.”

- Dr. Malcolm Ross O'Neill, Assistant Secretary of the Army for Acquisition, Logistics and Technology

For more information on the Capability Maturity Model see Appendix E.

Institutionalizing Transformation Initiatives

As described in this 2011 Business Transformation Plan, we have taken the step of integrating business initiatives into one central strategic management document - the Army Campaign Plan. Currently, we are in the process of aligning business initiatives to appropriate Major Objectives found on the Army Campaign Plan Strategy Map. This document is scheduled to be completed in First Quarter, Fiscal Year 2011. Our next step which is to be completed for inclusion in the 2012 Business Transformation Plan Update is to publish a Business Initiative Development Policy that will provide clear Army-wide guidance as to the development, candidacy and approval process for business initiatives beginning in Calendar Year 2011.

While all of the Army's business initiatives fall within the Chief Management Officer's umbrella of interest, we now have better clarity that a subset of current and new initiatives will reach across the entire Army enterprise. Thus, these are defined as Army Enterprise Business Initiatives. Enterprise Business Initiatives as well as Business Initiatives will be further clarified in the Business Initiative Development Policy in the 2012 Business Transformation Plan Update.

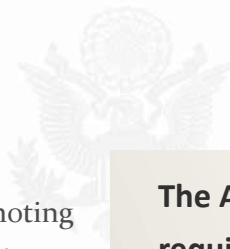
Resolving High-risk Areas

We are highly cognizant of the several critical areas that Congress has given us. We have begun addressing these in the 2011 Business Transformation Plan. These critical areas are defined in the list of High Risk Areas compiled by the Government Accountability Office. High Risk Areas on this list include Business Transformation, Business Systems Modernization, Financial Management, Supply Chain Management, Support Infrastructure Management, Contract Management, Weapon Systems Acquisition and Personnel Security Clearance process. The Army seeks to improve in all these areas not only because it is important in the

support of our warfighters but also because it allows us to be good stewards of America's tax dollars. Developing and implementing our Integrated Management Systems and executing our Business Initiatives ensure success in eliminating the Government Accountability Office High Risk Areas.



Secretary of Defense, Robert Gates(right), Secretary of the Army, John McHugh(left), and Army Chief of Staff, General George Casey discuss Army priorities.



Promoting Army Entrepreneurship

To realize these savings and others, we are promoting a mindset of Army Entrepreneurship across both our Operating and Generating Forces. Army Entrepreneurs demonstrate characteristics such as stewardship, accountability, risk-taking, and team-building. We want to empower members of the Army to be willing to take upon themselves a

new venture or enterprise and accept full responsibility for the outcome. Army Entrepreneurs choose a level of personal, professional or financial risk to pursue opportunities that accomplish Title 10, United States Code, responsibilities at best value. Army Entrepreneurs identify a market opportunity and exploit it by organizing their resources effectively to accomplish an outcome without requesting additional funding. The most obvious form of entrepreneurship is that of starting new businesses. However, entrepreneurship within the Army is exemplified by one who undertakes innovations, finance and business acumen in an effort to transform innovations into efficiencies. This may result in new organizations or may be part of revitalizing mature organizations in response to a perceived opportunity. Our opportunity has been issued to us. It exists within Congressional and Department of Defense direction to transform our business operations.

The Army requires all unfunded or new requirements be accompanied by a cost-benefit analysis that includes the total cost of the proposal, benefits that will result, the bill-payers required, and the ripple effects of the funding decision.

Conclusion

As stated throughout the 2011 Army Business Transformation Plan, our business transformation vision is: A Generating Force that better supports the agile and versatile Operating Force to produce Readiness at Best Value. The goal of the Army management team (Secretariat, Army Staff and Army Commanders) is to achieve an Integrated Management System that is performance-based and outcome-focused to enable cost-informed decisions and trade-offs for successful management of the Army's business operations. This goal is derived from Army needs and Congressional mandate; particularly the 2009 Duncan Hunter National Defense Authorization Act. Transforming our business operations through alignment, integration, and innovation and developing and implementing an Integrated Management System are our two primary objectives to achieve our stated goal. The Army is committed to transforming and realigning our priorities to meet the mandates of the President, Congress, and Department of Defense, while also remaining dedicated to providing the nation the best trained Soldiers to succeed in our missions around the world.



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SECTION II

Business Systems Architecture & Transition Plan



Introduction

Section 908 of the 2009 Duncan Hunter National Defense Authorization Act for mandated that the Secretary of each military department, acting through the Chief Management Officer of such military departments develop and implement a well-defined enterprise-wide business systems architecture and transition plan encompassing end-to-end business processes and capable of providing accurate and timely information in support of business decisions. Pursuant to this legislation, this is the Army's first Business Systems Architecture and Transition Plan.

The Business Systems Architecture and Transition Plan provides a framework and roadmap for optimizing business operations, enabling audit readiness and developing a fully integrated business process platform that is aligned with the Army business operating model. It includes a set of annexes that describe the relationships and information flows among the enterprise business processes, organizations, and information systems that are a fundamental underpinning to achieving Army-wide strategic objectives identified in the Business Transformation Plan.

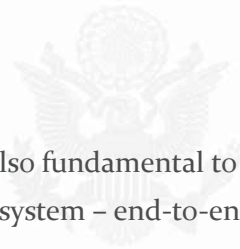
The Business Systems Architecture and Transition Plan integrates the Army functional architectures with the commercial-off-the-shelf (COTS) enterprise resource planning (ERP) solution architecture and the Department of Defense Business Enterprise Architecture. This represents an important change in business architecture development by taking an Army-wide, line of business and end-to-end business process approach which adopts a commercial-off-the-shelf (COTS) enterprise resource planning (ERP) solution architecture as the core of its business systems architecture while also providing for coexistence with important non-enterprise resource planning (ERP) systems and their enabling data.

By adopting the Business Systems Architecture and Transition Plan as the Army's roadmap for optimizing its business operating model, the Army will drive the transition planning of over 750 legacy systems and the prioritization of new business system investments into a to a single integrated architectural plan capable of supporting most business operations today. Key to this approach is the use of end-to-end business processes to ensure smooth transitioning to the new business operating model and supporting technology platform.

Lastly, the Army's strategy for business transformation relies upon the concurrent evolution and alignment of both the Business Systems Architecture and Transition Plan and the Business Transformation Plan. It is through this alignment the Army can work toward a common purpose, across lifecycle management functions, and

WHAT IS AN OPERATING MODEL?

An operating model is a representation of the core business processes, organizations, and information technology (IT) platforms used by an enterprise to deliver capability or value. An operating model reflects the desired level of standardization and integration of its core business processes and supporting IT platforms.



through and across organizational layers. It is also fundamental to realizing the Chief Management Officer's goal of "Achieving an integrated Army management system – end-to-end, and top-to-bottom – generating the most capable and ready Army at best value."

Background

This year's Business Systems Architecture and Transition Plan provides details on business transformation progress for the 29 systems and initiatives scheduled for review by the Department of Defense's Investment Review Boards and Defense Business Systems Management Council, including the 4 major enterprise resource planning (ERP) systems. Later versions of the Business Systems Architecture and Transition Plan will extend the analysis to over 750 Army Business Mission systems identified within the Army Portfolio Management System.

The Business Systems Architecture and Transition Plan uses a core set of integrated Department of Defense Architecture Framework (DoDAF) products² to describe the business processes, information exchanges, business rules, etc., that represent a typical business systems architecture. Furthermore, it also includes descriptions of end-to-end business processes that use the language of the business for framing discussions about complex, hard-to-define improvements to the Army's operating model that necessarily include reducing costs of business operations.

Purpose

The purpose of the Business Systems Architecture and Transition Plan is "to provide a blueprint and roadmap for Army business transformation that gives decision makers the information they need to ensure the right capabilities, resources and materiel are delivered to our warfighters: what they need, where they need it, when they need it, anywhere in the world." Additionally, the Business Systems Architecture and Transition Plan guides, and is used to govern, implementation of interoperable business system solutions as required by the FY2005 National Defense Authorization Act (NDAA) and aligns information technology investment management to strategic business capabilities as required by National Defense Authorization Act (NDAA), Clinger-Cohen and supporting Office of Management and Budget and Government Accountability Office policy.

Chief Management Officer's Intent

One of the intentions of the Chief Management Officer of the Army is to establish an integrated Army business architecture that achieves one integrated Army management system. The Business Systems Architecture and Transition Plan enables an Integrated Management System by providing an architectural plan and roadmap for the integration of business processes and systems, visibility of key information that is compliant and aligned to governance, and performance outcomes.

² Please see Annex A for further description of the DoDAF products supporting the FY11 BSA&TP.



Strategic Alignment

The Business Systems Architecture and Transition Plan complements Army strategic guidance by providing operating model, information architecture, and technology platform details that are fundamental to achieving Army-wide strategic objectives. At the top of the strategic pyramid is the Army's Campaign Plan and the Business Transformation Plan, each consisting of strategic goals, or statements of aim or purpose, as well as a limited number of high priority strategic objectives that add greater specificity.

Governance

The Business Systems Architecture and Transition Plan supports effective IT governance, and refocuses the Army from a vertically-optimized functional orientation to a horizontal, process-oriented alignment designed to optimize business operations that transcends functional stovepipes. Meeting this need is the Business Systems Information Technologies Executive Steering Group, established 14 June 2010, as an intra-Army, departmental committee that advises the Chief Management Officer of the Army on Army-wide Business Information Technology issues to include the development of the Business Systems Architecture and Transition Plan.

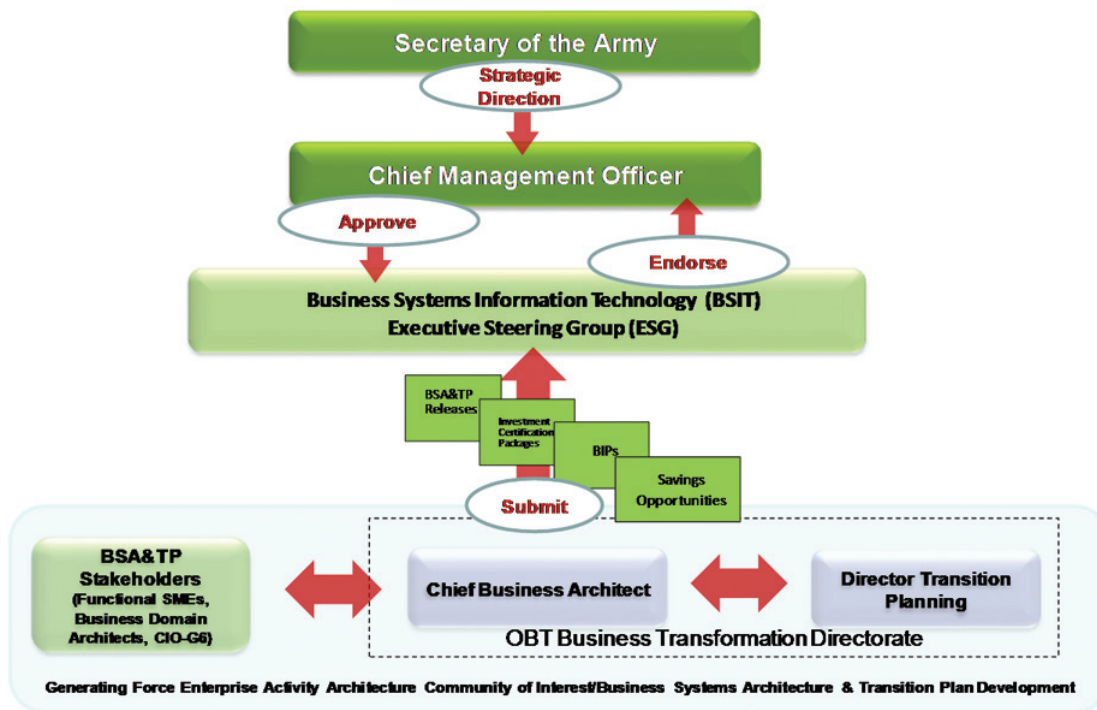
For more information on Army Business System Information Technologies, see Appendix C.

Section 1072 of the 2010 National Defense Authorization Act requires the Chief Management Officer to determine whether appropriate business process reengineering efforts have been undertaken as defined by reduced number of commercial-off-the-shelf customizations and reduced system interfaces.

As depicted in Figure 1 below, there are 4 primary products that are outputs of the Business Systems Architecture and Transition Plan that will be provided to the Business Systems Information Technologies Executive Steering Group for approval. These products include:

- Business Systems Architecture and Transition Plan releases – Sets of architecture products representing activities and lines of business (e.g., Army Force Generation (ARFORGEN), Ammo Enterprise, etc.);
- Investment Certification Packages – Packages will be provided to the Business Systems Information Technologies Executive Steering Group prior to IRBs for Army leadership to approve funding for the investments;
- Business Enterprise Architecture Improvement Proposals (BIPs) – Business Enterprise Architecture Improvement Proposals will be submitted to the Business Systems Information Technologies Executive Steering Group for approval prior to Office of Business Transformation coordination with other governance entities;
- As increments of the BSA are being developed and opportunities for savings are identified, they will be provided to the Business Systems Information Technologies Executive Steering Group for action.

FIGURE 1: BUSINESS ARCHITECTURE GOVERNANCE STRUCTURE



Application of the Business Systems Architecture and Transition Plan

The Business Systems Architecture and Transition Plan emphasizes the need to improve business effectiveness by moving away from managed “silos of excellence” to an enterprise-wide view that embraces greater transparency and collaboration. The Business Systems Architecture and Transition Plan enables this disciplined approach to business transformation by driving enterprise-level business processes, policies, and technology investments through the use of the following transformation enablers:

Portfolio Management -The Business Systems Architecture and Transition Plan enables the Army to move from a functional-centered approach (finance, human resources, acquisition, logistics, health, etc.) to fully integrated lines of business. Supporting this new perspective is a set of business architecture artifacts needed to assess the current portfolio of business system investments (see Fig. 3).

Investment Management - The Business Systems Architecture and Transition Plan is used to provide decision makers with the information needed to drive system realignment and consolidation of Army business capabilities embedded in over 750 Army business systems.

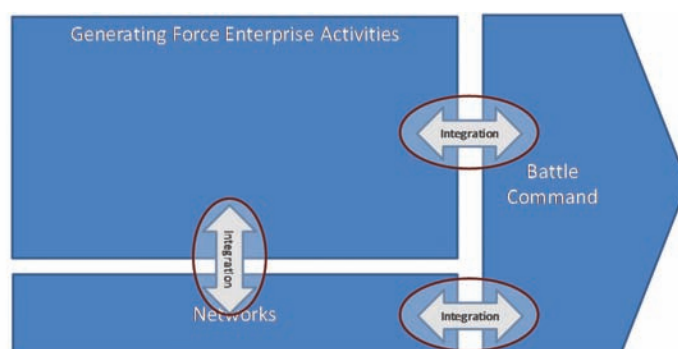
Business Process Reengineering –The National Defense Authorization Act(NDAA) 2010 requires the Chief

Management Officer to certify that appropriate business process reengineering efforts have been undertaken for each Defense Business Systems Modernization investment under review. The Army's approach to business process reengineering efforts leverages end-to-end business processes shown in the Department of Defense Business Enterprise Architecture and the business processes inherent in a commercial-off-the-shelf (COTS) enterprise resource planning (ERP) solution architecture. The Business Systems Architecture serves as a foundation for satisfying the National Defense Authorization Act(NDAA) FY2010 business process reengineering requirements. System development investments are now evaluated in terms of how they improve business processes or reduce the complexity of the workflow of the systems being replaced. Migrating and integrating the many workflows resident in the legacy systems to the enterprise resource planning (ERP) solution will be a key component of the Army's business process improvement strategy.

The Army Enterprise

The Army Enterprise, as defined by the Army's Chief Architect (G3/5/7), comprises 3 mission areas: Battle Command which focuses on the mission of the Army Operational Forces; Network which defines technologies, information sharing and transport capabilities; and the Generating Force Enterprise Activities (GFEA) that encompass the entirety of the business operations needed to train, equip and sustain the Operational Forces. As depicted in Figure 2, Army Enterprise, the Generating Force Enterprise Activities (e.g., Army business operations) is tightly integrated with the Networks and Battle Command mission areas. This integration is facilitated by the joint effort of the domain functional architectures and the Army Office of Business Transformation.

FIGURE 2: THE ARMY ENTERPRISE



Business Systems Architecture

The Business Systems Architecture is the body of knowledge and framework that describes and prescribes the Generating Force Enterprise Activities in terms of lines of business, process, business system capabilities and information.

Specifically, it is the blueprint, with a 10-year horizon, for transforming the Army's business operations and the supporting technology platform (e.g., the Business Process Platform). It includes end-to-end cross-functional business processes used to increase the efficiency and effectiveness of business operations while minimizing the number of legacy systems, commercial off-the-shelf customizations and interfaces. And it includes as-is and to-be process maps and metrics developed by Army Lean Six Sigma analysts. Its purpose:



- Drive integration across the functional domains (e.g., Finance, Logistics, Acquisition) in the Generating Force (i.e., Institutional Army);
- Ensure integration between the Generating and Operating Forces;
- Inform the Business System Information Technology Executive Steering Group on acquisition decisions pertaining to the migration of legacy functionality to the Army's Enterprise resource planning (ERP) solution.

The Business Systems Architecture represents a change from previous architecture approaches of focusing on vertical functional domains to one that is focused on lines of business and the 15 horizontal end-to-end processes defined in the Department of Defense Business Enterprise Architecture.

Business Systems Architecture Content

Within the Army, the standards for defining, describing, and discussing the business architecture are found in the Department of Defense Architecture Framework version 2.0. While the Business Systems Architecture uses a core set of integrated products (Operational Views[OVs], System Views[SVs], and Capability Views[CVs]) as depicted in the Figure 3 below to document lines of business and special activities in the Army, it also includes other perspectives such as strategy and performance. Specifically, it ensures the appropriate elements of the enterprise are aligned to strategic priorities, objectives and performance metrics.

Business Systems Architecture Context

The two figures below, the Business Operations (Fig. 4) and Business Process Platform (Fig. 5), provide a top-level perspective of the Business Systems Architecture and a representation of the Army's Operating Model. Army business operations as depicted in Figure 4 use standard end-to-end business processes to integrate the Generating Force, Operating Force and trading partners (e.g., industry and Government suppliers and consumers of materiel, information and services). Figure 4 also depicts, at a high-level, leadership and supporting roles for execution of each of the end-to-end processes.

FIGURE 3: THE ARCHITECTURE TAXONOMY

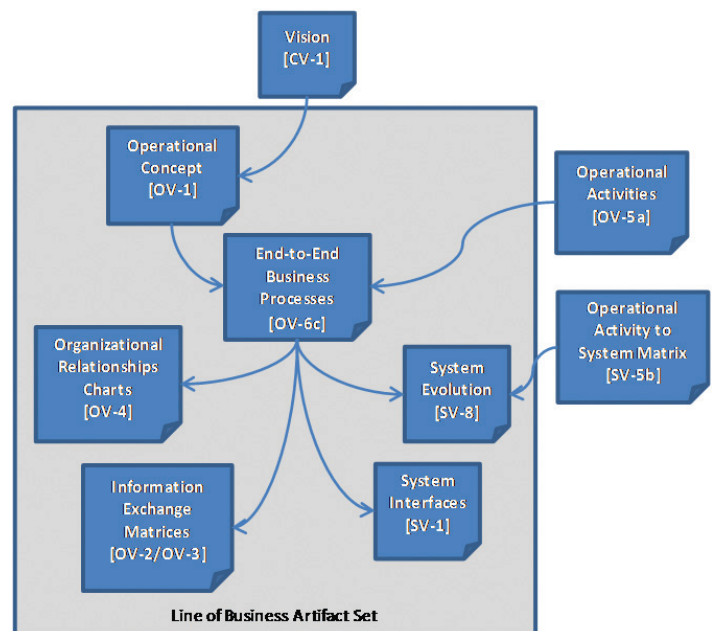
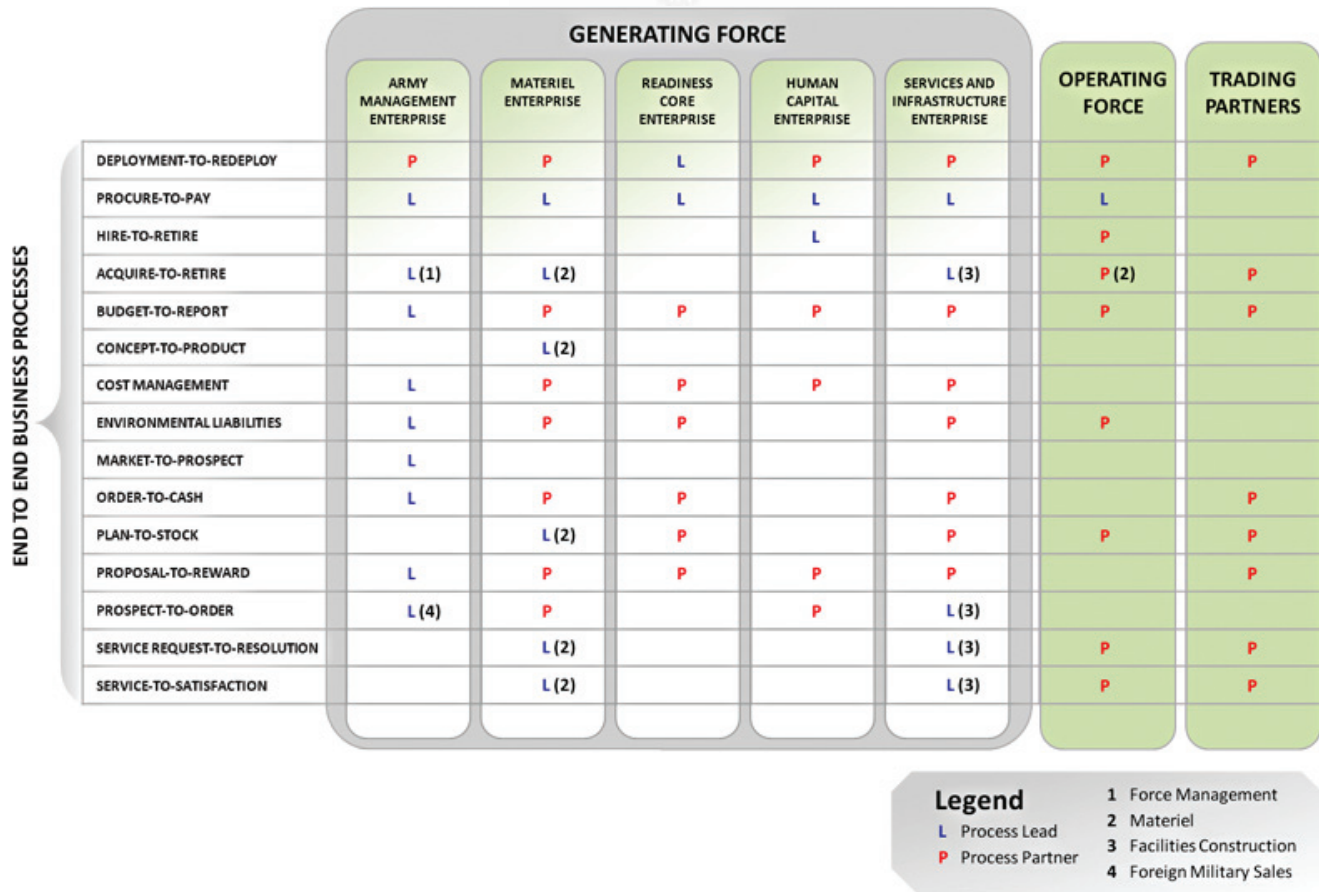


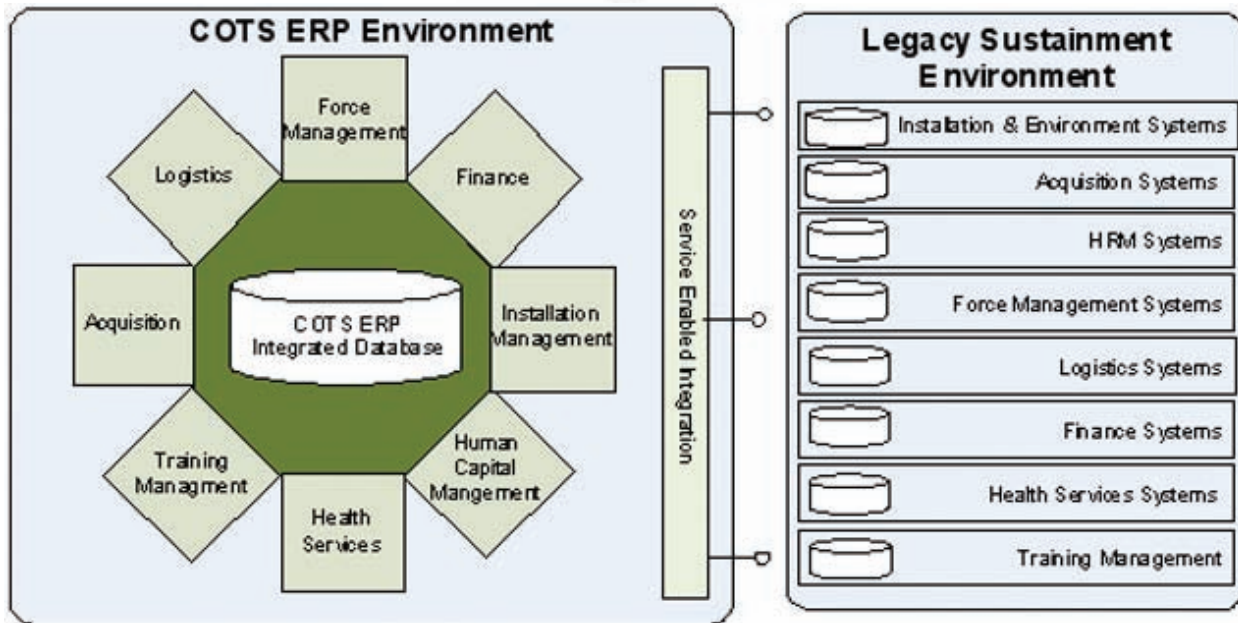
FIGURE 4: GFEA CORE PROCESS MODEL



The vertical bands represent organizations aligned into functional communities (Core Enterprises) that rely on end-to-end processes to deliver services or products (e.g., ammo, tanks) needed to create, train, sustain or equip operational forces.

The Business Process Platform as shown in Figure 4 is the technology enabler for the Integrated Management System. It combines in a single architecture, a rationalized set of the capabilities implemented in the commercial-off-the-shelf (COTS) enterprise resource planning (ERP) solution and the capabilities provided by a limited set of legacy systems that will be designated to be part of the target systems environment. Over time, the legacy system capabilities will migrate to the commercial-off-the-shelf (COTS) enterprise resource planning (ERP) environment unless there is a compelling business case for retaining them in their legacy form. Legacy systems will be service enabled as necessary to facilitate the sharing of information needed to address unique Army requirements in the context of the end-to-end processes.

FIGURE 5: BUSINESS PROCESS PLATFORM



Functionality of the commercial-off-the-shelf (COTS) enterprise resource planning (ERP) solution capabilities will be leveraged to the maximum extent possible and dependence on legacy systems will be minimized. While developing the Business Systems Architecture the Office of Business Transformation will go through a rigorous process to identify legacy systems whose functionality can be delivered by the commercial-off-the-shelf (COTS) enterprise resource planning (ERP) solution. Systems that are selected for migration will be included in the Transition Plan.

Any legacy system to be included in the Business Process Platform will require a Chief Management Officer approved business case for not migrating their functionality to the commercial-off-the-shelf (COTS) enterprise resource planning (ERP) solution architecture. Also, it is important to note that Business Process Management (both the functional and technical aspects of end-to-end processes), Master Data Management and Service Enabled Integration may be centrally managed in the commercial-off-the-shelf (COTS) enterprise resource planning (ERP) environment.

Business Systems Architecture Approach

The Office of Business Transformation with the assistance of the domain functional architects plans a 3-phased approach for establishing the Business Systems Architecture:

Phase 1 - Architecture Consolidation - focuses on establishing one technical environment where existing Army architectures (by functional area, as developed by the domain architects) will be readily available to the



business community. Currently, the functional architectures are located in various enclaves and networks which make them difficult to find and use.

Phase 2 - Architecture Federation - focuses on establishing a composite architecture with the assistance of the domain functional architects that represents a rationalized and integrated perspective of all the functional architectures. This will provide valuable input for developing the architecture content for the lines of business during Phase 3. Activities in this phase will focus on resolving overlaps and filling gaps, and stitching the seams that exist between the architectures of the functional domains. Specifically, the scope of each domain's architecture will be rationalized and points of integration will be determined, defined, and documented.

Phase 3 - Architecture Convergence - focuses on extending the solution architecture provided by the commercial-off-the-shelf (COTS) enterprise resource planning (ERP), with the assistance of the domain functional architects for lines of businesses in the Core Enterprises. During this phase the integrated processes and best practices of the commercial-off-the-shelf (COTS) enterprise resource planning (ERP) solution will be adopted as the foundation for the Business Systems Architecture. As each line of business is assessed, unique Army requirements documented in the functional architectures will be identified and used to extend the processes enabled in the commercial-off-the-shelf (COTS) enterprise resource planning (ERP) solution. Domain functional architects will be instrumental in identifying unique Army requirements and in planning the transition to the target Business Systems Architecture.

This 3-phased Business Systems Architecture approach allows the Army's Generating Force to focus on lines of business and the end-to-end processes defined in the Department of Defense Business Enterprise Architecture while leveraging the functional domain architectures. The approach uses lessons learned from development of the Department of Defense Business Enterprise Architecture as well: end-to-end processes depend upon the basic activities or primitives of an operational architecture. These primitives are the "building blocks" of the Business Systems Architecture. In the architecture consolidation environment, they can be reused and combined to depict the architecture from a core enterprise perspective as well from the Generating Force Enterprise Activity perspective.


As the domain architectures capture the basic, primitive activities, the domain architectures are the "load-bearing walls" underpinning the Business Systems Architecture. The following Army business owners are responsible for developing and evolving the domain architectures:

Personnel – Deputy Chief of Staff, Army - G1

Acquisition – Army Acquisition Executive

Logistics – Deputy Chief of Staff, Army - G4 and Army Materiel Command

Finance – Assistant Secretary of the Army Financial Management & Comptroller



Training – Training and Doctrine Command (TRADOC)
Installation & Environment – Assistant Chief of Staff for Installation Management
Health Services – Office of the Surgeon General (OTSG)/Medical Command
Force Management – Department of the Army Military Operations - Force Management (DAMO-FM)

Business Systems Architecture Progress

The Office of Business Transformation has made significant progress developing and validating strategic-level artifacts to define the scope and principals for the Business Systems Architecture. It has also begun development for two high value Army activities: Army Force Generation (ARFORGEN)- a core Army activity and the Ammo Enterprise line of business. These architectures are focused on demonstrating FY2010 National Defense Authorization Act (NDAA) Business Processes Re-engineering requirements(i.e., minimizing commercial-off-the-shelf (COTS) customizations and system interfaces) and streamlined business operations (e.g., increased efficiency of end-to-end business processes, improved data quality and lower operational costs). This will be achieved by identifying functionality delivered by legacy systems, supporting the activities or lines of business, and migrating those capabilities to the commercial-off-the-shelf (COTS) enterprise resource planning (ERP). Currently, the analysis for the Ammo Enterprise line of business has identified in excess of 20 legacy systems as candidates for migration to the commercial-off-the-shelf (COTS) enterprise resource planning (ERP).

Transition Planning

The Business Systems Architecture and Transition Plan provides a high-level roadmap for the transitioning of legacy business systems and data to the Business Process Platform. The Transition Plan implements the Business Systems Architecture and is aligned to the Business Transformation Plan which serves as a guide to align business operations with the performance priorities of the Chief Management Officer.

The Transition Plan builds upon the framework described in Figure 3 by identifying specific business areas³ and systems within each Core Enterprise and the end-to-end business processes they support. Specifically, the Army's Business Systems Architecture and Transition Plan scopes the transition strategy by lines-of-business⁴ within each Core Enterprise and analyzes the specific contribution to an end-to-end business process each system provides.

Organizing the transition plan into individual lines-of-business within each Core Enterprise provides a manageable scope and reduces associated risk with the transition and implementation objectives. This approach results in a list of existing business systems supporting end-to-end business process as shown in the example below, figure 5.

³ Business Area include Army Force Generation (ARFORGEN), Ammunition Enterprise, etc.

⁴ Please see Annex B for an example of the Lines of Business within each Core Enterprise



Annex A - Business Systems Architecture and Transition Plan Content

Business Systems Architecture Products - This Annex contains the list and description of the core products that will be included in the Business Systems Architecture.

Product	Description
CV-1 Vision, Generating Force Operating Model	Represents the operating model for the Army's Generating Force Enterprise Activities to include core processes, technology platforms and the organizations. Provides the overall vision for transformational endeavors emphasizing a converged enterprise resource planning (ERP) environment, a minimum set of legacy systems that will continue to exist and a core set of standardized end-to-end business processes that integrate the activities of the Generating and Operational forces. Defines the lines of business activities (e.g., Ammo Enterprise, Tank and Automotive Enterprise) of the Business Systems Architecture that will be incrementally built. The lines of business identified in the CV-1 notionally represent how the converged enterprise resource planning (ERP) will be implemented and will be synchronized with the enterprise resource planning (ERP) strategy.
OV-1 High-Level Operational Concept Graphic	For each line of business, in the different Core Enterprises, an OV-1 will provide a high-level graphical description to define its scope. The OV-1s will depict the functions, goals, objectives and the Generating Force and Operational Force organizations involved with the segment.
OV-6c End-to-End Business Processes	The OV-6c end-to-end business processes describe the business operations for each of the lines of business in a readable, graphical representation. These are critical to scoping and configuring the enterprise resource planning (ERP) solutions and include the identification of participating organizations, master data and transactions. The process models represent the to-be operational view as a series of business process steps (functions) that will be executed in sequence in response to a defined business event (trigger), to produce a specific business result (output). They are aligned to the Department of Defense Business Enterprise Architecture 15 end-to-end business processes and are the product of adopting the commercial-off-the-shelf (COTS) solution maps tailored/extended to accommodate Army unique requirements
OV-2/OV-3 Operational Node Connectivity Diagram/ Information Exchange matrix	A set of diagrams and matrices that document the exchange of information between organizations. This is a derived product based off the OV-6c end-to-end Business Processes.



Product	Description
OV-4 Organizational Relationships Chart	Used as a scoping mechanism for the lines of businesses in that they identify relevant organizations and their authorized structure. The underlying data for the OV-4 will be pulled directly from the Army Organizational server which is the Authoritative Data Source for Table of Distribution and Allowances (TDA) and Table of Organization and Equipment (TOE) Army organizations.
OV-5a Operational Activity Decomposition	Defines the universe of Army operational activities performed by the Generating Force. The initial version is a by-product of federation where the BEA operational activity node tree is decomposed by the operational activities defined in the Army domain architectures. Later versions will be based on the commercial-off-the-shelf (COTS) enterprise resource planning (ERP) and extended by the unique Army activities defined in the domain architectures.
SV-5b Operational Activity to Systems Traceability Matrix	Provides detailed inventory of “As-Is” business systems and the operational activities they support. Enables identification of unnecessary redundancies and gaps in the systems environment. It is a primary input to transition planning.
SV-8 Systems Evolution	The System Evolution diagrams graphically reflect the migration of legacy systems functionality to the enterprise resource planning (ERP) environment.
SV-1 Systems Interface Description	<p>The System Interface Description diagrams contain the interface information for each major system listed in the Transition Plan master list. This information contains the specific feeder systems that is either sending and/or receiving data, the interface names and description, and the frequency/volume of data sent/received.</p> <p>As-Is and To-Be SV-1 Systems Interface Description diagrams will be used to demonstrate how the FY2010 National Defense Authorization Act (NDAA) business process re-engineering (BPR) requirements are satisfied.</p>

The Seal of the United States, featuring an eagle with wings spread, perched on a shield with vertical stripes, and a crest above its head.

SECTION III

Nominated Business Initiatives



NOMINATED ARMY BUSINESS INITIATIVES

1. Cost Culture Business Initiative
2. Financial Management Improvement Plan Business Initiative
3. AcqBusiness Business Initiative
4. Strategic Sourcing Process and Program Governance Business Initiative
5. Procure to Pay Pilot Business Initiative
6. Authoritative Data Business Initiative
7. Business Systems Information Technology Governance Business Initiative
8. Army Campaign Plan 2011 Business Initiative
9. Enterprise Traceability Business Initiative
10. Army Force Generation Business Architecture Business Initiative
11. Army Data Center Consolidation Plan Business Initiative
12. Transfer of the Directorate of Logistics to Army Materiel Command from Installation Management Command Business Initiative
13. Civilian Workforce Transformation Business Initiative
14. Civilian Hiring Reform Business Initiative
15. Army Energy Security and Sustainability Business Initiative
16. Holistic Review of the Army Family Covenant Business Initiative
17. Fleet Planning Business Initiative
18. Army Forums Review Business Initiative
19. Army Civilian Leader Development Business Initiative
20. Fleet Management Expanded Business Initiative
21. Army Item Unique Identification Business Initiative
22. Potential Transfer of Army Materiel Command Special Installations to the Army Installation Management Command Business Initiative
23. Enterprise Email & Calendar Business Initiative
24. Army Enterprise Service Desk Business Initiative
25. Army Corrosion Prevention and Control Business Initiative
26. Secure Mobile Workforce Business Initiative



Business Transformation Plan Alignment Matrix																														
GAO High Risk Areas													DoD High Priority Performance Goals										DoD Strategic Management Plan Business Priorities			SA/CSA CY10 Objectives				
Business Initiatives	Approach to Business Transformation													DoD High Priority Performance Goals										DoD Strategic Management Plan Business Priorities			SA/CSA CY10 Objectives			
	Support Infrastructure Modernization	Business System Modernization	Contract Management	Personnel Management	Supply Chain Management	Weapons Systems Acquisition	Improve Energy Efficiency	Streamline the Hiring Process	Implement DoD Wide In-sourcing Initiative	Provide Effective Business Operations and Ensure	Enhance the DoD Acquisition Process	Support the Acquisition Process	Support Contingency Business Operations	Reform the DoD Acquisition Process	Strengthen Financial Management	Enhance the Civilian Workforce	Support the Acquisition Process and Support	Continue the Acquisition Process	Gain Efficiencies	Eliminate an Integrated Management System for Army	Implement the Army Leader Development Strategy	Define the Army of the 21st Century	Grand Total							
1. Cost Culture	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	20							
2. Financial Management Improvement Plan	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	16							
3. AcqBusiness	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	14							
4. Strategic Sourcing Process and Program Governance	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	14							
5. Procure to Pay Pilot	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	14							
6. Authoritative Data	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	13							
7. Business Systems Information Technology Governance	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	12							
8. Army Campaign Plan 2011	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	12							
9. Enterprise Traceability	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	10							
Army Force Generation Business Architecture	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	9							
11. Army Data Center Consolidation Plan	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	9							
Transfer of the Directorate of Logistics to Army Materiel Command from Installation Management Command	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	8							
13. Civilian Workforce Transformation	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	7							
14. Civilian Hiring Reform	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	7							
15. Army Energy Security and Sustainability	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	7							
Holistic Review of the Army Family Covenant	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	5							
17. Fleet Planning	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	6							
18. Army Forums Review	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	5							
19. Army Civilian Leader Development	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	5							
20. Fleet Management Expanded	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	5							
21. Army Item Unique Identification	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	5							
Potential Transfer of Army Materiel Command Special Installations to the Army	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	4							
23. Enterprise Email & Calendar	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	4							
24. Army Enterprise Service Desk	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	5							
25. Army Corrosion Prevention and Control	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	4							
26. Secure Mobile Workforce	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	4							
Business Initiative Total	23	14	10	16	5	2	17	7	4	1	1	1	2	4	13	9	7	0	5	15	7	4	6	9	10	2	11	3	17	224
● Shows linkage and integration to business initiatives Note: BTP Matrix is a working document and linkages may change as initiatives and objectives develop.																														

● Shows linkage and integration to Business Initiatives
Note: BTR Matrix is a working document and images may change as initiatives and objectives develop.



ARMY BUSINESS INITIATIVES

This volume of the Army Business Transformation Plan provides a summary of business initiatives that have been nominated by the Assistant Secretaries of the Army as having potential for significant impact on Army Business Operations. They are pending Chief Management Officer and Secretary of the Army approval. These proposed business Initiatives provide preliminary information on the problem, the description and expected outcomes.

The list of proposed business initiatives is not a comprehensive list but rather a starting point for the Army to use during the course of the next fiscal year for targeting improvements in business operations. Each initiative will be reviewed and analyzed in more detail during the year to evaluate its feasibility and further refine costs and benefits. Where it is determined that the initiative has merit, it will be managed and tracked to achieve the desired outcomes.

The population of business initiatives will also be used to select Army Enterprise Business Initiatives that have an Army-wide impact. Army Enterprise Business Initiatives will receive special attention because they have a broader impact across the Army.

During each year, the list of business initiatives will shrink and expand as more worthwhile ideas are nominated and some business initiatives are closed out. The order of initiatives reflect a prioritization based on alignment to external and internal stakeholders.

President Obama's priorities for the Army Corps of Engineers are to be smarter, greener, more transparent, more collaborative and more accountable, executing all with efficiency. We are looking to expand environmental restoration and protection.

The Corps is committed to finding practical, nationally consistent, cost-effective approaches to reduce vulnerabilities from climate change and variability. We are writing the overarching strategy to address climate change and variability, demographic shifts, changing land use, and changing social values. This will require flexibility in Corps' water projects so they are more resilient to a wide range of future conditions.

In the area of sustainability, we have undertaken initiatives to reduce the Corps civil works carbon footprint and provide for sustained natural ecosystems. The ASA-CW serves as the Senior Sustainability Officer for Army Civil Works. We have set a target of 23% reduction in greenhouse gas emissions from Civil Works vehicles and facilities by 2020. Toward this end, the Corps is conducting an extensive review of current emission sources and alternatives to fossil fuels in our operations.



1. COST CULTURE

Problem Statement

The Army needs a smart way to control the cost of its missions. Leadership-driven cost management is a tool that can be used to accomplish the mission at best value:

- The Army is a large, complex organization – 1.1 million people, ~\$240 billion budget.
- We need to better manage available dollars and face the potential of reduced resources in the future
- Throughout the Army, there is a perception that people and hardware are “free goods.”
- We have a consumption-oriented culture where financial success is defined as spending every dollar.
- We don’t do a good job of relating cost to outputs and outcomes. There is no penalty for excessive cost, no reward for decreased cost.

Description

The goal of this initiative is to contribute to mission effectiveness by improving our ability to make resource-informed decisions. Cost culture requires that we enable all decision makers – through leadership, education, discipline, and experience – to more effectively manage Army resources.

Desired Outcome

The Cost Culture Initiative will improve the Army’s cost effectiveness by providing greater organic cost competency to Army commanders. It will enable leaders and managers to make resource-informed decisions and effective trade-off decisions, and to focus on improving the efficiency and effectiveness of their operations.

- The Army’s contribution to national security will be enhanced through increased mission effectiveness/capabilities.
- When there is a gap between mission and money, senior executives will engage higher headquarters in meaningful discussions that result in increased funding, reduced requirements, or more cost-effective solutions (the value proposition).
- Resource management systems will support commanders and operational leaders with timely, accurate, and reliable cost information that is used in disciplined, frequent cost management reviews.
- Internal and external stakeholders (Congress and the American people) will have the increased assurance that we know how to use resources in the best interest of national security.



2. FINANCIAL MANAGEMENT IMPROVEMENT PLAN

Problem Statement

- Army financial statements are not auditable, but required to be auditable by law.
- Army leaders are making resource decisions using data from systems that may not provide relevant, accurate and timely information.
- Resource decisions informed by incomplete data contributed to the cancellation of nearly \$2.2B obligation authority at the end of FY 09.

Description

The Army FIP identifies corrective actions needed to improve current business practices and leverage the capabilities of enterprise resource planning systems (ERPs), in addition to enhancing internal controls, documentation and reporting processes. The Army FIP was built to meet Federal financial laws and regulations, as well as OUSD(C) priorities of improving DoD budgetary information, specifically appropriation, commitments, obligation and disbursement information required on the Statement of Budgetary Resources (SBR) and information about the existence and completeness (E&C) of mission critical military and general equipment assets.

Desired Outcome

- Increase the effectiveness of the Army's business processes, while simultaneously improving the stewardship of taxpayer resources.
- Provide for operational efficiencies through more readily available and accurate cost and financial information; enable leaders to make resource-informed decisions.
- Achieve and sustain unqualified assurance on the effectiveness of internal controls.
- Attain and maintain compliance with Federal Financial Management Improvement Act, Chief Financial Officers Act of 1990, NDAA 2010, and other public laws.



3. ACQBUSINESS BUSINESS INITIATIVE

Problem Statement

Today's Army Acquisition users are constrained by the current suboptimal configuration of business systems and the outdated policies and procedures that encumber their ability to locate, access, and share accurate and timely acquisition data. The Assistant Secretary of the Army for Acquisition, Logistics and Technology (ASA(ALT)) is the Army official responsible for the implementation of the Acquisition process and for its resulting performance and efficiency. He is responsible to the soldier for ensuring that the Acquisition process provides timely, cost effective and capable war-fighting systems that provide the decisive edge in ongoing and future conflicts; to the Congress, DoD and Army leadership for ensuring that Army acquisition remains relevant and responsive to their priorities; and to the tax payer for ensuring that their tax dollars are invested appropriately, effectively and efficiently in protecting and equipping the soldier. Accordingly, the Acquisition Community must evolve both its enterprise governance over investments and data and its enterprise business systems to deliver effective, efficient, relevant, responsive and fiscally responsible support to the Army.

The Acquisition community has a history of empowering program managers and program executive officers with the ability to use program dollars (dollars programmed for the equipment required by the soldier) as necessary to purchase, develop and implement the Information Technology solutions. This has led to a host of locally optimized IT business systems which cannot interoperate, which are often duplicative, which are expensive and which do not serve the needs of the Acquisition enterprise. The result is a business enterprise which has inadequate visibility into where its IT dollars are going, significant gaps in required capability across the enterprise and data controls that are inadequate to ensure data availability, timeliness and reliability.

It has been said that "change" is the only constant in DoD. Change is driven by the continuing introduction of new perspectives, driven by new administrations, new laws and policies, new people, and new technologies. The department's decentralized and out-of-date approach to the management of IT has precluded the agility necessary to keep up with these changes. As a result, decision makers often left without the information they need to make reliable decisions; business process owners are left without access to the data they need to enable efficient or effective processes; and Congress and DoD policy makers are left without an adequate response to changes in emphasis, legislation or intent.

Description

AcqBusiness is the ASA(ALT) initiative to address these problems through better use of information and information technology resources. For the Army Acquisition domain, AcqBusiness is the enabling strategy that changes the paradigm for how information resources are managed; how IT systems and services are managed, developed and delivered; and how information is governed and managed.



The heart of the AcqBusiness initiative is the Materiel Development activity responsible for delivering a continuing series of relatively inexpensive business systems (generally between \$100 K and \$2 M), business applications and web services which provide enterprise solutions to defined and documented business problems. These solutions are independent of one another in that if one fails, the others remain operational and are not impacted by that failure. These solutions are integrated into an overarching Service Oriented Architecture (SOA) which ensures the accessibility of data among and between systems, applications and services. An evolving, increasingly robust access control and identity management system determines who can access the AcqBusiness environment, what data elements they will have access to and what they can do with the data when they get in.

However, the AcqBusiness initiative also encompasses the Army Acquisition Business Enterprise Architecture (AABEA), the acquisition component of the federated Army business architecture which maps to and is a more detailed outgrowth of the DoD Business Enterprise Architecture; a Combat Development organization and process to identify, prioritize, document and justify required business capabilities; a data governance component to implement the DoD Data Strategy and ensure the accessibility, reliability, governance, and maintenance of the authoritative acquisition data; a Materiel Development organization (PM AcqBusiness) responsible for identifying, developing, purchasing, implementing, and/or maintaining the solutions and infrastructure that make up the enterprise business environment; a portfolio management component to identify and retire the locally optimized systems that duplicate the enterprise capabilities fielded by AcqBusiness; and a governance component which oversees the initiative, the requirements development, the budget, the schedule and the Materiel Development activities.

Combat Development and Materiel Development activities are independent yet coordinated. The Combat Developer is the Director, Acquisition Business Systems in ASA(ALT), and has the responsibility of working with all elements of the acquisition community to identify, prioritize, document and justify business capabilities required to fill existing capability gaps, to enable more effective and efficient business processes, and to meet leadership demands. As requirements are approved, they are provided to the Materiel Developer, PM AcqBusiness, for analysis, prototyping, solution determination and action as appropriate to provide an appropriate solution. Approved capabilities are packaged in “increments” which are governed by a baseline which established cost, performance and schedule bounds for that increment. Each increment is exposed to the Investment Review Board (IRB) and funded with DBSMC certified funds. Prior to fielding, each capability is run through a series of user tests to validate both functional capability and user satisfaction and the capabilities are fielded after review by the Deputy Assistant Secretary (Plans, Programs and Resources) and the PEO EIS. The AcqBusiness initiative is funded in the X4SA MDEP at a relatively constant level of about \$9M per year (the first three years were somewhat higher in order to cover infrastructure and start-up costs).



Desired Outcome

The principal products of the AcqBusiness initiative are three fold. First is the portfolio of approved enterprise IT solutions (systems, applications and web services) that enable the business of acquisition in the Army. Second, is data that can be relied on to support business decisions, external information requirements (e.g., AV SOA, DAMIR) and leadership demands. Third, is the centralized governance over and visibility into the Acquisition Community's investments in information and Information Technology that enables the acquisition community to accomplish its business and stay relevant to the soldier, the DoD and the rest of the Army.

From these products, the Army acquisition community is able to ensure the agility necessary to continually improve and keep pace with continually evolving business processes and leadership requirements. By establishing a continuing series of relatively low cost IT solutions, it is able to quickly respond to priority requirements and user needs. By establishing an architected portfolio of enterprise business systems and services, it is able to reduce the number of stovepipe and locally optimized business solutions. By establishing data governance over identified data elements, it is able to be flexible and to ensure the authenticity of the data and control the use of the data. By closely monitoring the capabilities of enterprise business systems evolving outside the Acquisition domain (e.g. GFEBS), AcqBusiness is able to provide links to those systems and to access, use and take advantage of the authoritative Army data produced by those systems without duplicating those investments. By providing central governance over acquisition data, the Domain can provide more reliable and timely support to decision makers and can reduce or preclude the current trend of providing multiple, contradictory answers to a question.

The AcqBusiness approach to changing how the Acquisition community manages its IT investments has no end-state. Because the investments are small and the products are independent of one another, they support what can be described as a "plug and play" environment. This allows the acquisition community to be agile in its response to changes in acquisition laws (e.g. WSARA), in administrations, in policy, in leadership expectations, and in technology capability. This agility at relatively low cost enables the acquisition community to stay current, to meet leadership expectations, to take advantage of evolving technologies and to establish a pattern of continuous improvement in its ability to meet mission requirements and the expectations of the soldier, the Army, the DoD, the Congress and the taxpayer.



4. STRATEGIC SOURCING PROCESS AND PROGRAM GOVERNANCE

Problem Statement

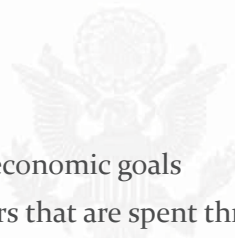
Strategic Sourcing is defined by the Office of Management and Budget as: a collaborative and structured process of critically analyzing an organization's spending, and using this information to make business decisions about acquiring and managing commodities and services more effectively and efficiently. This process helps agencies optimize performance, minimize price, increase achievement of socio-economic acquisition goals, evaluate total life cycle management costs, improve vendor access to business opportunities, and otherwise increase the value of each dollar spent. Strategic sourcing is a key business process in private industry, but the Federal government has been slow to adopt this enterprise approach to the procurement and management of goods and services.

Between 2000 and 2003, a series of strategic sourcing "pilot" projects were launched at several Army acquisition organizations in order to address the decentralization of Army acquisition functions across and within the Army Commands (ACOMs). While various organizations within the Army and the ACOMs have developed strong expertise in identifying opportunities and leading them through the contract award, there is a need for a more streamlined and holistic approach to the implementation of strategic sourcing across the Army and the ACOMs. This approach must include a Strategic Sourcing Program governance approach, a communication strategy to promote wider use of strategic sourcing, senior leadership mandates for use of the contracts and processes that emerge from strategic sourcing analyses and a sustainable resource model to ensure adequate staffing of strategic sourcing initiatives. This more organized, systematic and collaborative approach to strategic sourcing will allow the Army to capture greater value from every dollar spent on goods and services. Moreover, in addition to providing cost savings and maximizing the value of Army's procurement spending, an Army Strategic Sourcing Program will reduce the amount of Army resources required to support strategic sourcing on both a per commodity and a per supplier basis.

Description

Improving Army Strategic Sourcing and implementing a program governance structure will dramatically improve goods and services contracting as well as significantly contribute to the recent Secretary of Defense mandate calling to reduce costs across the Services. In order to ensure success, five goals for the Army Strategic Sourcing Program have been established. These goals are based on the set of goals listed in the Army 2006 OMB Strategic Sourcing Submission and commercial best practices from industry and have been modified based on inputs from the Army 2007 Principal Assistant Responsible for Contracting Conference's Strategic Sourcing Panel. They are:

- Goal 1: Establish and institutionalize existing Army strategic sourcing processes to comply with statutory requirements and optimize Army contract spending
- Goal 2: Reduce Total Cost of Ownership for acquired goods and services



- Goal 3: Maintain success in achieving socio-economic goals
- Goal 4: Maximize the amount of Army dollars that are spent through approved Army strategic sourcing commodity or Supplier Relationship Management strategies
- Goal 5: Reinforce success – incentivize future strategic sourcing efforts through retention of savings at the Army organizational level

These goals are in direct support of the Army's mission and will lead to reduced lifecycle costs and process efficiencies through consolidation of similar and common use contracts; leveraging economies of scale; better alignment of acquisition strategies with clearer user requirements; realignment of personnel to maximize mission operations; improved supplier performance; better risk management and mitigation capabilities; and more valuable supplier relationships.

Desired Outcome

The Army Strategic Sourcing Program will improve contracting for goods and services by providing a fact-based and analytical process for optimizing an organization's supply base while reducing Total Cost of Ownership and improving mission delivery. The vision for the Army's Strategic Sourcing Program is to support the Army warfighter by transforming the Army's approach to acquiring key goods and services from a tactical and reactive function to a strategically driven function using strategic sourcing processes to ensure maximum value for every contracting dollar.

Implementing the Strategic Sourcing Program and governance will have far-reaching impact and numerous benefits. These benefits go beyond price savings to reduction in total cost of ownership, which include but are not limited to the following:

- Reduction in Cost Per Unit
- Change in Consumption/Volume
- Improved Operating Efficiency
- Improved Supply Chain Management



5. PROCURE-TO-PAY

Problem Statement

- The Army's current ERP implementations require interfaces to numerous legacy systems, many of which are Defense-wide systems that optimize a sub-element or organization but hinder the effectiveness of the overall business process.
- Execution within the ERP encounters numerous performance challenges as transactions and data flow across multiple, non-compatible systems.
- True capability of the ERP is marginalized, makes maintaining data integrity more challenging, and increases ERP cost of ownership.
- Ability of the ERP to support enterprise-wide decisions is limited, such as strategic sourcing.

Description

Army P2P will eliminate the need for custom interfaces to and from the Standard Procurement System (SPS) and Automated Disbursing System (ADS) to address the sub-optimization of the ERP noted above. Wide Area Workflow (WAWF) is in the process of developing an Enterprise WAWF that will provide a single-face to industry while linking the supplier to the correct ERP to eliminate the interface for receiving reports and interfaces from WAWF.

Desired Outcome

Army Commands such as FORSCOM and TRADOC who use General Funds Business System (GFEBS) and supported by the Standard Procurement System (SPS) contract writing system will have unprecedented visibility of transactions throughout the business process. Mission critical PRs can be monitored by commanders and their staffs from beginning to end. It will enable better decision-making and quicker identification of problems, seams and gaps in the procurement process through the refinement and integration of existing business processes.



6. AUTHORITATIVE DATA

Description

This initiative implements Army Directive 2009-03, Army Data Management, which directs that data be treated as a strategic asset to create and support a network-enabled environment that gives decision makers access to timely and secure authoritative data. In order to provide decision makers access to authoritative data in a timely and secure manner, identification of authoritative data and making the data accessible are foundational initiatives. A technical framework and process to expose the data consistently across the Enterprise will support current as well as future requirements lessening the need and expense to reengineer how to expose that data for each individual specific requirements.

Authoritative and Accessible Data complements the ARFORGEN Business Architecture initiative by leveraging the Information Architecture to identify and designate the key enterprise level authoritative data sources/capabilities. Initially focused on the Readiness Core Enterprise (RCE), the Business Architecture Tiger Team have identified twenty-five (25) initial data sources across the three (3) core enterprises that support the RCE. The Tiger Team is developing a capability requirements (e.g. Force Validation). This initiative will expose these data sources so that they are accessible to the community and will support the ARFORGEN Business Architecture outcome to share data across the enterprise.

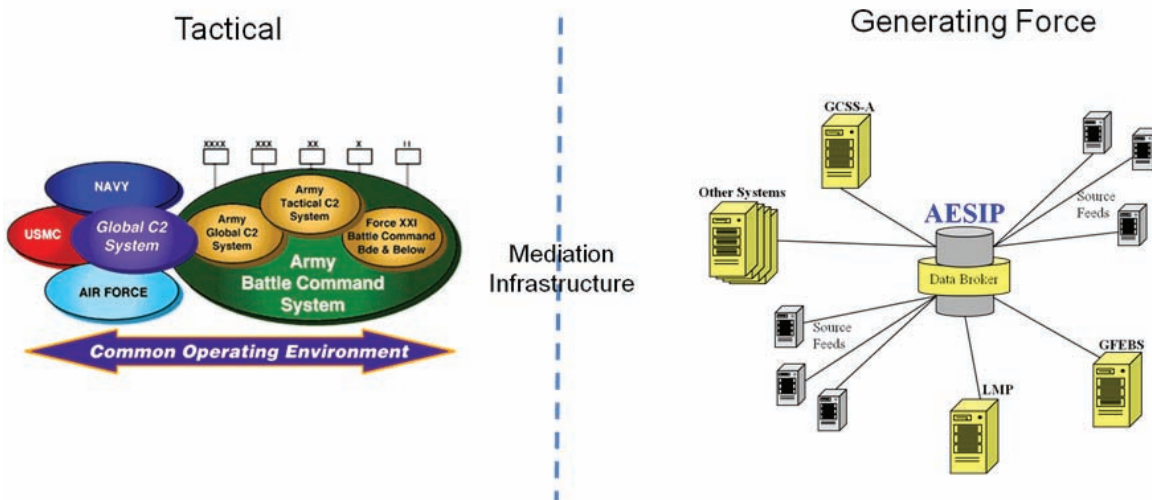
CIO/G-6 is sponsoring the Enterprise Data Sharing Initiative (EDSI) to pilot a technical environment and repeatable process for the integrated sharing of authoritative data sources in a seamless manner. Initial spirals exposed three (3) data sources that enabled the Enterprise Management Decision Support (EMDS) to consume the data as an efficient data service. Results of this initiative provided the technical foundation for future exposure of data across the enterprise and piloted the foundational concepts described within the Army Data Transformation Plan.

Identification of Army Authoritative Data Sources supports the DoD initiative to implement the Enterprise Authoritative Data Source (EADS) Repository. This repository will contain DoD Authoritative Data Sources. The Chief Data Officer and Army Data Stewards form the Army Data Board, and in conjunction with the Functional Data Managers on the Army Data Council, will approve Army Authoritative Data Sources for inclusion in the EADS Repository.

This initiative also supports the DoDD 8320.02, "Data Sharing in a Net-Centric Department of Defense" and DoDD 8000.01 "Management of the Department of Defense Information Enterprise." Federal Data Center Consolidation Initiative (FDCCI) will consolidate data centers across the Federal Government in order to achieve cost savings, energy consumption reductions, optimal space utilization and improvements in IT asset utilization.

PM Army Enterprise System Integration Program (AESIP) is the Data Integration Broker for ERPs. As a result, sources will no longer be required to establish point-to-point solutions, allowing systems to be less dependent and more maintainable.

FIGURE 6A: MEDIATION INFRASTRUCTURE



JROCM 158-09 provides direction to the Command Control portfolio to expose Command Control data. This community is making their authoritative data accessible. The mediation between the generating force and the tactical force as data is exposed and made accessible must be addressed.

Desired Outcome

The Authoritative and Accessible Data initiative will improve the Force Generation process by providing a consistent and reusable process, technical specification, and data which is exposed as a data service so that systems that support decision makers, commanders, and their staffs can readily have more access to authoritative enterprise data. It will support the ARFORGEN business process. Data will be visible, accessible, understandable, trusted and governable.

- “...the Army requires enterprise-wide visibility of well-integrated authoritative data sources to enable priority informed decision-making while improving the use of available resources.” GEN Campbell email, 18 September 2010
- Authoritative and Accessible Data will:
 - o Reduce duplication
 - o Save the Army resources (\$, personnel, time)
 - o Reduce time to access data
 - o Reduce complexity

Systems are more maintainable



7. BUSINESS SYSTEMS INFORMATION TECHNOLOGY GOVERNANCE

Problem Statement

The ERP Governance will improve the decision making process for Army-wide business systems resulting in reduced development cost, reduced execution risks, reduced sustainment cost, and greater effectiveness for the Army. The improved effectiveness of the Army business systems will improve the probability of a successful ARFORGEN Business Architecture initiative by providing users more accessible authoritative information. It will enable better decision-making and quicker identification of problems, seams and gaps in the ARFORGEN process through the refinement and integration of existing business processes.

Description

ERP Governance includes establishing an enterprise body to govern ERPs.

- Form a CMO-lead governance body for oversight of the multiple ERP programs and as a forum for making decisions for the “federated” ERP that will meet the enterprise-wide requirements.
- ERP Governance initiative complements the Integrated Management System and the ARFORGEN Business Architecture initiative for Generating Force Capability & Alignment.

Desired Outcome

The desired outcome will be a governance body which can focus the business information systems investments on the Army enterprise-wide interest leading to reduced development cost, reduced execution risks, reduced sustainment cost, and greater effectiveness for the Army and its business information systems.

We face the unprecedented challenge of transforming a 235 year-old mission-focused organization to meet financial and managerial requirements established in the last 20 years. Each member of the Army, both in uniform and civilian, is a stakeholder in the organization’s success. Successfully implementing and utilizing tools like General Fund Enterprise Business System, improving business processes, and ensuring accurate information exists within the various property accountability systems will allow our leaders and managers to make better decisions and employ our resources in the most effective manner possible.

Read more about General Fund Enterprise Business System in Appendix C – Army Business Systems Information Technologies



8. ARMY CAMPAIGN PLAN 2011

Description

The Army's Senior Leaders provided guidance at the 4 Jun 10 AME Offsite to help the Army refocus and refine the ACP 2011 Strategy Map. Serving as the foundation of the ACP, the ACP Strategy Map depicts the Objectives (ways) that are necessary to accomplish the Army Imperatives (ways) and Army Outcomes (ends). Far from exclusive of all that the Army does, each Objective serves a key role in focusing the Army's resources (means)—including people, money and time—ultimately allowing our Army to accomplish any mission on which our country calls. The Army's leadership – including the Secretariat, Army Staff and Core Enterprises – are currently analyzing their designated ACP Campaign and Major Objectives. Once approved and incorporated within the ACP 2011 document, this integrated approach will include:

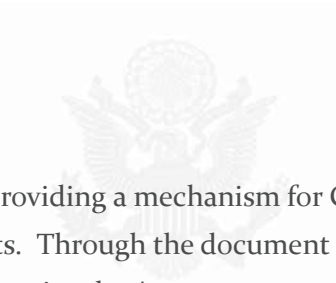
- Campaign Objectives that fully address, incorporate and align the Army's major efforts to achieve the Army's Outcomes, Imperatives and meet strategic requirements.
- Campaign Objectives that are led by an Assistant Secretary of the Army, supported by an Army staff coordination element and affiliated Core Enterprise. This team will also collaborate with and synchronize efforts with leaders of other Campaign and Major Objectives, due to the Objectives' overlapping and synergistic efforts.
- Campaign and Major Objectives that have three to five metrics that allow the Army Senior Leaders to measure progress / success of that objective. At a minimum, Campaign and Major Objectives must also incorporate the overarching and foundational requirements.⁶
- Tasks and responsibilities within ACP Paragraph 3b ("Tasks / Responsibilities") that organizations must accomplish in order to complete the Campaign and Major Objectives.
- As appropriate, tasks and responsibilities (within ACP Paragraph 3b) that organizations must accomplish in order to complete approved CMO Transformation Initiatives.⁷
- Recurring updates by the Campaign Objective Leads within ACP forums, helping the Army Senior Leaders effectively and efficiently manage Army transformation and synchronize across Army processes.
- Existing Army forums that discuss operational- and strategic-level Decision Points and Special Topics, enabling the Army Senior Leader to make informed and timely decisions.

Desired Outcome

ACP 2011 will provide the Army with a clearer common operating picture. It will convey the Army Senior Leaders'

⁶ ACP 2011 overarching requirement: Effectively and efficiently allocate and use resources to build the best possible force. ACP 2011 foundational requirements: Enhance strategic communications, Secure financial resources and legislative authorities to meet requirements, and incorporate cost management into processes.

⁷ A "CMO Transformation Initiative" is a strategic initiative that provides a significant improvement to an Army business process or supporting procedure resulting in transformational change. In contrast, "Quick Start Initiatives" are business transformation initiatives that already have CMO endorsement and are aligned with either external or internal guidance. These initiatives are to begin immediately or have already begun with the goal of providing results within 6 months to one year that support business transformation goals. The ACP document may also include tasks and responsibilities related to Quick Start Initiatives, although their shorter duration may preclude this need.



current priorities and guidance, while also providing a mechanism for Campaign Objective Leads to provide timely feedback and meaningful assessments. Through the document and forums, the ACP will continue to help the Army Senior Leaders manage and synchronize the Army processes in order to more effectively and efficiently achieve the Army's Imperatives, Outcomes and strategic requirements. In addition, specific Outcomes will include:

- Supports the move to align/synchronize the Army's processes, including The Army Plan (TAP) and PPBE.
- Incorporates the roles and responsibilities of the Army Management Enterprise and Core Enterprises.
- Supports the need to institutionalize feedback within the Army processes.
- Supports the need to instill a cost culture.



9. ENTERPRISE TRACEABILITY

Problem Statement

The Army is able to trace equipment to receipt at the Army level, but Army systems and processes were not designed to provide systematic traceability of procurement funded equipment from the President's budget request to delivery and receipt at the unit level. This is a new requirement. USC 10 Sec. 10541, as amended by NDAA 2008 Sec 1826, requires DoD to Certify unit receipt of major systems in Reserve Components and explain if actual deliveries don't meet expected deliveries. DoD Dir 1200.17, published 29 October 2008, requires Services to "ensure procurement programs and processes provide visibility and accountability of RC equipment from Program/Budget justification materials through the timely execution of funds and distribution of procured assets." An OSD(ATL) memo titled "Way forward for Commission on the National Guard and Reserve (CNGR) Recommendation #42/#43", dated 12 March 2009, requires Services to modify budget justification materials and to submit quarterly reports to OSD and semi-annual reports to Congress. The Secretary of Defense signed a memo titled, "Recommendations of the Commission on the National Guard and Reserves" on 24 November 2008 requiring Services determine the optimal processes to "provide visibility of and accountability for National Guard and Reserve equipment in the budget" and "track and trace National Guard and Reserve equipment through the acquisition process from procurement through delivery." Currently, the Army spends approximately \$4M per year in indirect procurement costs to manually collect delivery data in support of transparency reporting requirements. The Army must develop a systematic method to provide these reports in an audit-ready and more cost and time efficient manner.

Description

The G-8 is conducting an Enterprise Traceability Project to develop an application which integrates data from existing systems to trace procurement funded equipment from unit-level delivery to the appropriation and its associated procurement plan and budget justification materials. The Enterprise Traceability Project is developing a series of interim solutions to provide systematic traceability using existing systems. These solutions are continually coordinated with the Army's developing ERPs to ensure they will be ready to provide systematic traceability to the unit level. This is a complex initiative that involves a number of facets, to include:

- Championing the use of Unique Item Identifiers (UII) to link appropriations to equipment fielded to units. UIIs are captured in DoD's invoicing database, which includes contract information that can be linked to appropriation using the long line of accounting in the acquisition community's information systems.
- Ensuring plans are clearly articulated and transparent so all parties know and understand expected delivery quantities. Delivered quantities must be understood in terms of equipment delivery plan, such as:
 - Equipment from Army procurement plans, including quantities procured as DoDD 1225.6 replacements and quantities funded by Congressional adds.
 - Equipment from NGREA procurement plans.



- o Equipment being delivered to meet Reset requirements, including Automatic Reset Induction replacements and DoDD 1225.6 replacements.
 - o Other equipment transfers to meet DoDD 1225.6 replacement requirements.
- Reconciling plans for requested funds with appropriated and apportioned funds, and communicating changes to all stakeholders.
- Ensuring consistency and accuracy of P-Form compo splits in relation to POM decisions and LIN-level planning.
- Ensuring Army budget submissions are consistent in how they display the breakdowns of dollars and quantities across Components. As changes occur, these Component splits must be adjusted so all stakeholders understand the item quantity-level plans at the Component level.
- The project itself addresses the processes, policies, systems and data elements that must be exploited, improved and/or linked to provide the capability to systematically trace equipment using an application that interfaces with existing systems to create the periodic Equipment Delivery Report (EDR).

Desired Outcome

Army currently meets OSD transparency requirements with an Equipment Delivery Report (EDR). EDR development relies on manual processes which are time consuming and have the potential for data entry error. The Enterprise Traceability Project will develop a systematic EDR that will:

- Be systematically auditable.
- Allow the Army to reinvest \$4M worth of labor hours per annum currently dedicated to manual data entry, collection, consolidation, and validation.
- Provide a greater degree of confidence in data accuracy.
- Provide ready access to accurate, audit ready, readily understood equipment delivery data for all stakeholders, especially the Reserve Components.
- Allow the Army to submit the EDR more quickly and potentially more often. The current process can be measured in weeks. A systematic process can reduce this process to hours or possibly even minutes.



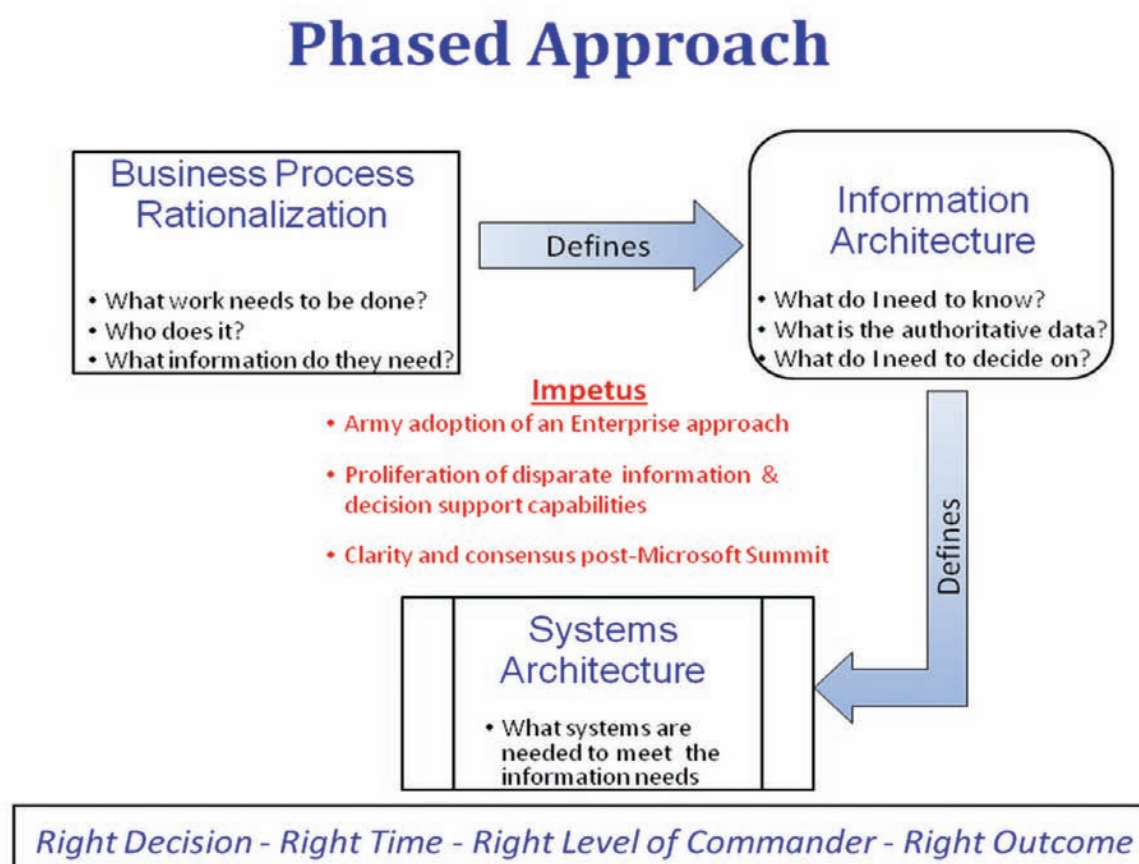
10. ARMY FORCE GENERATION BUSINESS ARCHITECTURE

Description

The Army Force Generation Business Architecture Initiative will transform Army processes to align and support the progressive readiness inherent in Army Force Generation. The approach will:

- Transform business processes to support Army Force Generation.
- Define information exchanges supporting Army Force Generation.
- Provide context for Information Technology system analysis and investment.

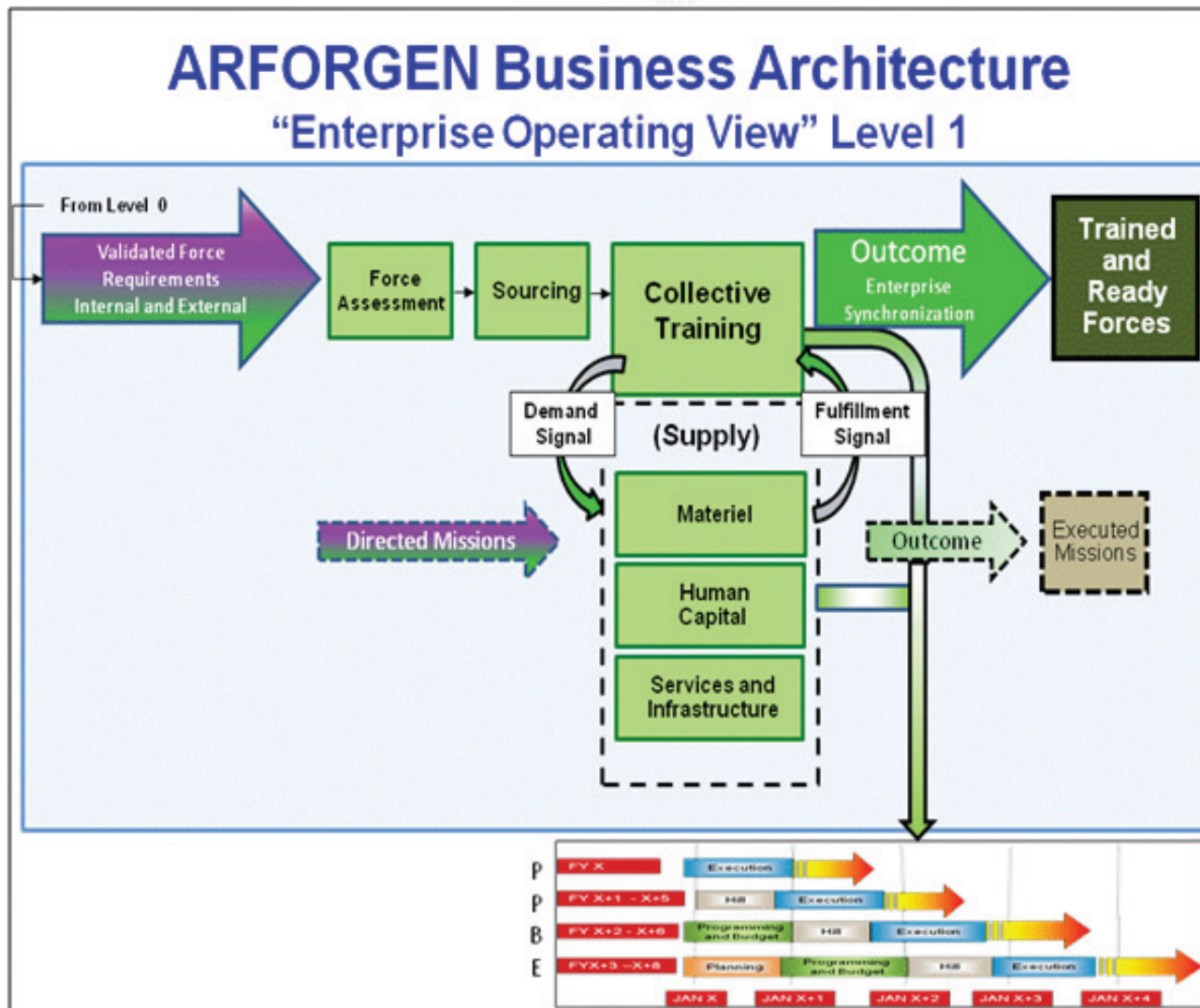
FIGURE 10A: INITIATIVE PHASED APPROACH



Transforming Army Force Generation Business Processes

We defined the basic activities that comprised the Army Force Generation process. We then sequenced those activities to produce an Army enterprise work flow for Army Force Generation. The work flow answered the questions of: what work needs to be done, in what sequence is that work done and who does that work? Figure B depicts that work flow.

FIGURE 10B: ARMY FORCE GENERATION BUSINESS ARCHITECTURE



Defining Information Exchanges

Currently, we are defining the information exchanges supporting the Army Force Generation business process. An information exchange answers: what do we need to know, what do I have to decide on, and what organization is accountable for providing the source information? Identifying accountable organizations provides the preliminary step for identification of authoritative data sources and governance of that information.

Informing the Systems Architecture

The information exchanges inform the direction of and the actions needed to establish the systems architecture. We will identify the authoritative data and data sources, implement a common data exchange standard, and enable wide spread sharing of the information to Army Force Generation users.

The results of this initiative will enable a common enterprise approach for accessing and consuming authoritative



data in support of the Army Force Generation process. Additionally, this will update the Army business systems architecture.

Desired Outcome:

The Army Force Generation Business Architecture initiative will improve the Force Generation process by providing commanders and supporting Enterprises readily accessible information. It will facilitate more efficient and integrated decision-making, quicker identification and resolution of friction points and gaps in the Army Force Generation process through the alignment, refinement, and integration of existing business processes. The Army Force Generation Business Architecture complements several other related and supporting initiatives (see below) and will make ARFORGEN data available to multiple organizations that do not have access today. Access to this data will eliminate reliance on non-authoritative data sources and decrease IT development of interfaces or shadow systems to support Army Force Generation associated activities. Related initiatives that will benefit from the Army Force Generation Business Architecture are:

- The Enterprise Decision Management Support (EMDS) system (G-3/5/7)
- Logistics Information Warehouse (LIW)/Enterprise Data Warehouse (EDW) (ME/AMC)
- Acquisition Business (ACQBIZ) (ME/ASA(ALT))
- ARFORGEN Synch Tool (AST) (RCE/FORSCOM)
- Core Enterprise data requirements (RCE/HCE/ME/SICE)
- Office of Business Transformation (OBT) analysis
- ACP Forums-ASM, ACP Update, SRU, etc.



11. ARMY DATA CENTER CONSOLIDATION PLAN

Problem Statement

The cost of operating a single data center is significant, from hardware and software costs to real estate and cooling costs.⁸

- The reported number of Federal data centers grew from 432 in 1998 to more than 1,100 in 2009.⁹
- In 2006, Federal services and data centers consumed over 6B kWh of electricity and without a fundamental shift in how we deploy technology it could exceed 12B kWh by 2011.¹⁰
- Army's network, LandWarNet, has inherent inefficiencies associated with currently stove-piped operations and facilities that are locally managed, operated and funded.

Description

The Army Data Center Consolidation Plan (ADCCP) is a five-year plan to provide managed information services at the enterprise level; improve the security of Army information assets; and consolidate the Army's data center inventory worldwide. The ADCCP is a key element of the Army's transformation of its network, LandWarNet, from its current stovepiped state into a fully integrated information enterprise.

- Best opportunity to eliminate redundant IT Infrastructure across the Army; aligned with Secretary Gates' vision to consolidate DoD IT Infrastructure
- Approximately 75% reduction of Army data centers (250 ÷ 65) by end of FY15
- Significantly reduce the Army's energy and real estate footprint of Army data centers
- Leverage DISA, commercial capabilities and existing Army facilities based on business case.

Outcome

Implementation of the ADCCP will reduce Army data center infrastructure operations and support costs and environmental impact by shifting data center operations to more efficient enterprise managed operations. It will increase the Army's overall IT security posture by making it easier to defend the network and protect information assets through the consolidation of data centers. ADCCP will:

- Improve operational capability globally by providing a standardized computing environment with universal access to authoritative information, applications and collaboration tools for Army users and mission partners
- Save Army IT resources (\$, real estate, personnel, IT hardware and software) by consolidating 250 data centers to 65
- Reduce administrator (personnel) requirements by increasing the operating environment (OE) to FTE ratios from 12:1 to 20:1

⁸ OMB Memorandum, Subject: Federal Data Center Consolidation Initiative, February 26, 2010

⁹ 2009 OMB Budget Data Request 09-41

¹⁰ EPA Report to Congress on Server and Data Center Energy Efficiency Public Law 109-431, U.S. Environmental Protection Agency ENERGY STAR Program, August 2, 2007



12. TRANSFER OF THE DIRECTORATE OF LOGISTICS TO ARMY MATERIEL COMMAND FROM INSTALLATION MANAGEMENT COMMAND

Problem Statement

Redundant, inefficient and excessive logistic support systems and contracts at camps, posts and stations. Through re-alignment, the Army will achieve better productivity and savings for installation DOL support functions currently being executed and managed by Installation Management Command (IMCOM) while seeking gain in efficiencies in support of ARFORGEN.

Description

As a result of AR 750-1, chapter 2-15, the Commander, Army Materiel Command was designated as the Army's National Maintenance Manager. To accomplish efficiencies in support of ARFORGEN; AMC and IMCOM commanders initially agreed in a March 2008 Memorandum of Agreement (MOA), to Operational Control (OPCON) to AMC, IMCOM DOL ammunition, maintenance and selected supply functions. On March 6, 2009, the AMC Commander, ICW IMCOM Commander, further agreed to form an Integrated Process Team (IPT) to research the possibilities of fully transferring these functions to AMC from IMCOM. In May 2010, after the IPT identified that splitting these selected functions from the IMCOM DOL structure would only create more inefficiencies, the IMCOM and AMC Commanders decided to change the IPT focus to the transfer all IMCOM DOL functions to AMC. The 77 IMCOM installations are part of the initial effort. While DOL missions vary among those, the basic functions to be transferred include:

- Field and Sustainment level equipment maintenance support currently performed by IMCOM DOLs
- Installation Ammunition Supply/Maintenance
- Installation Supply to include Organizational Clothing and Individual Equipment (OCIE), Class IX, Class II, and Class III (package)
- Dining Facility operations
- Installation Transportation

Desired Outcome

AMC and IMCOM will have right-sized Army installation logistic capabilities in support of ARFORGEN through efficiencies, improved readiness and cost savings or avoidances in providing installation logistics support. Specifically:

- Eliminate redundant maintenance support programs
- Improve management and maintenance of "Left Behind Equipment" (LBE)
- Eliminate redundancies in logistics contracts for ARFORGEN support missions, e.g. FLRC (Field Logistics



Readiness Centers) and reduce contract management costs

- Improve the effectiveness of installation ammunition supply missions
- Improve effectiveness and find savings or cost avoidance for other installations supply or services functions
- Better leverage AMC technical expertise and supply chain management capabilities

End state is a leaner, more streamlined and efficient ARFORGEN logistics support operations focused in deployment, RESET and Re-deployment of units and other tenants on installations. This will improve responsiveness, flexibility and the ability to adapt quickly to mission requirement changes, with a leaner overall process and clearer lines of operation for resource managers.



13. CIVILIAN WORKFORCE TRANSFORMATION

Problem Statement

Historically, the Army has viewed Civilians as skilled technicians and support personnel needed to perform functional and technical work for which uniformed personnel were either unavailable or inappropriate. However, the management of the Civilian workforce has not enjoyed the same level of interest or resources as the military component of the Army Workforce. As a result, the Army today does not have a Civilian life-cycle management system that is integrated, or sufficiently resourced to transform the Civilian Corps for the 21st Century. These shortfalls limit cohort flexibility and adaptability in support of Army Goals & Missions.

Description

To establish an enterprise-wide, requirements-driven structure, requires attention in five (5) strategic areas. The target dates listed below direct preliminary planning only by affected stakeholders. They are:

- Line of Effort 1: Integrate requirements determination, allocation and resourcing processes that identifies the Civilian workforce capabilities.
- Line of Effort 2: Improve civilian workforce lifecycle strategy, planning and operations to enhance mission effectiveness.
- Line of Effort 3: Establish an integrated management system to support Civilian human capital decision making and allows leaders and employees to perform their roles more efficiently in support of Army goals and missions.
- Line of Effort 4: Execute Army SES Competency Assessments.
 - Subtask: Army Civilian Leader Development (CMO “Quickstart”).
- Line of Effort 5: Execute activities to reform the Civilian Hiring Process (CMO “Quickstart”)

The CWT initiative, when fully implemented, will meet long standing statutory National Defense Authorization Act requirements (2006-2010) and complement on-going OSD activities to comply with these NDAA requirements.

Desired Outcome

A flexible and adaptive Civilian workforce in support of the Total Army.

Civilian Workforce Transformation is that package of initiatives which, when fully developed and executed, will “enable a flexible and adaptable Civilian workforce to support the Total Army”. In this context the CWT mission statement defines flexible as “demonstrated institutional change across the Army Enterprise” and adaptive in that the Civilian cohort can produce and deliver “the right person, to the right place at the right time”. CWT is designed to produce a more capable Civilian workforce characterized by a “technically proficient employee with the requisite training to meet the mission”.



Civilian Workforce Transformation (CWT) answers long-standing National Defense Authorization Act (NDAA) legislative mandates. NDAA 2010 directs the development and execution of strategic human capital planning for Civilians. It also restates 2006-2009 NDAA directives designed to improve the Army Civilian Corps. Examples: Civilian workforce competency gap analysis/assessments; development of workforce shaping strategies and plans; management of senior level Civilians IAW USC, Title 10, Sec 129;

Value Proposition: The Civilian Workforce Transformation (CWT) Strategy will drive Human Capital resource allocations resulting in the following outcomes:

- Operationalizing an Enterprise Civilian Requirements Generation Process;
- Dramatically improving the Management Architecture of the Civilian Cohort;
- Ensuring the most Effective & Efficient Use of the Multi-Sector Workforce; and
- Meeting Army Goals & Missions by Investing in Civilian Employee Professional Development.

CWT will:

- Eliminate redundant civilian development courses offered by multiple Army or external schoolhouses and consolidate programs of instruction whenever it makes sense to do so.
- Adopt a competency-based approach for managing the development of the civilian workforce.
- Develop and publish individual Civilian development pathways to meet career goals and expectations.
- Provide the tools the Army needs to identify required competencies, measure individual competencies and develop strategies to close competency gaps.

We continue to review our talent management of the Senior Executive Service with the goal of building a bench of senior civilian officials who can lead transformation within the Army, the Department of Defense, and the federal government. In 2010, the Army has taken concrete actions to move this initiative further by chartering its Executive Resources Board to address workforce planning issues, strategic planning issues, policy and procedures in addition to ensuring merit staffing procedures. The Army also revised the process for hiring new members of the Senior Executive Service which provides timelines and enables access for all organizations. Finally, the Army resumed a process of reviewing talent and creating succession plans. These are the first steps that will provide the Army with systematic, deliberate talent management and build a strong cadre of senior civilian leaders.



14. CIVILIAN HIRING REFORM

Description

The Civilian Hiring Reform Beta Test recognizes that hiring is a shared responsibility and integrates RM/manpower into the Management-HR team for a comprehensive approach to hiring which places significant emphasis on forecasting/pre-planning.

A four-phase methodology provides the framework for the end-to-end improved hiring process.

- Phase 1 – Pre-Planning/Forecasting: Most significant change from current process. Requires up-front communication by Management and Manpower with the hiring plan and resources approved in advance. Phase ends with the pre-positioning of all recruitment documents.
- Phase 2 - USA Staffing: Test use of OPM's automated staffing tool which includes database of competencies and allows for data-driven statistics on fill-time and rework.
- Phase 3 – Security: Test use of Defense Information System for Security (DISS) CATS which involves G-2 in this initiative. Potential to reduce cycle time from 3 weeks to 17 days.
- Phase 4 – Automated EOD: Test use of Army Electronic Entrance on Duty (eEOD) application to facilitate expediting the on-board process for Army civilians. Tentatively scheduled to launch in Sep-Oct 10.

Desired Outcome

Civilian Hiring Reform concept, if successful, should assist in achieving the goals of:

- Reduce hiring cycle time, with the goal of achieving 80 days or less
- Reduce rework of civilian personnel hiring actions



15. ARMY ENERGY SECURITY AND SUSTAINABILITY BUSINESS INITIATIVE

Problem Statement

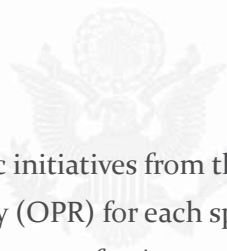
Power and energy are essential for enabling the full spectrum of Army missions around the globe. In recent years the Army has spent between \$3-4B on fuel and energy to accomplish those missions. Success in future operations depends on enhancing the security of our energy supplies and sustaining the environment from which they come. The Army is global and a vision for global sustainability must address energy supply and demand inside and outside the fence. Efforts to improve energy security and sustainability for the Army are also critical to relations with our neighbors both at home and abroad.

Description

The Army Energy Security and Sustainability program and initiatives will help the Army avoid costs, sustain the mission, decrease impact on the environment, reduce energy consumption, increase renewable and alternative energy, increase efficiencies across installations and operations, and better manage long term operational costs. In accordance with the Quadrennial Defense Review, the Army is focused on providing secured access to reliable supplies of energy and protecting those resources. The development of alternative energy sources and improvement of energy efficiencies across the Army require a consistent corporate framework. This process is driven by the Army's Energy Security Implementation Strategy (AESIS). The AESIS facilitates the integration of all Army energy activities at an enterprise level to support Army installations, weapon systems and operations. Overseeing this strategy and process is an enterprise council, co-chaired by the Assistant Secretary of the Army for Installations and Environment [ASA (I&E)] and the Vice Chief of Staff of the Army (VCSA) and directed by the Army Senior Energy Executive. The Army's energy program is a prime example of a full integration of corporate strategy, process, implementation, and management.

The Army has made significant progress in implementing sustainability practices that use resources efficiently, sustain our facilities and ranges, and improve quality of life. To further our progress, the USA and VCSA signed the Army Sustainability Campaign Plan (ASCP) on 12 May 2010. The ASCP institutionalizes sustainability in our materiel, facilities, and operations; considers the lifecycle impacts of our decisions; and moves the Army toward prudent enterprise solutions. Strategic tasks in the ASCP are aligned with the Army's core enterprises, and leverage existing efforts to achieve Federal sustainability mandates.

The key integration of the Army energy security and sustainability will be carried out by an enterprise board that will ensure appropriate prioritization of requirements and activities to support energy security and sustainability goals. Central to the Army's management and oversight of energy security and sustainability has been the development of specific performance metrics that are reported and tracked in Army's Strategic Management System (SMS). SMS is designed to align strategic focus across Army commands and organizations,



allowing visibility and accountability of strategic initiatives from the top down and the bottom up. Through the involvement of Offices of Primary Responsibility (OPR) for each specific AESIS and ASCP metric, SMS is being populated to monitor, synchronize and report progress for Army-wide execution of these strategies. In addition, the SMS data will inform the development of funding requirements and priorities for the Army energy security and sustainability program. SMS will also be used to report Army progress on the DoD energy and sustainability metrics.

Outcome

- Through the Army Senior Energy and Sustainability Council (ASESC) and the Services and Infrastructure Core Enterprise (SICE), the ASA(I&E), the VCSA, and other Army Secretariat and Staff offices will coordinate on energy security and sustainability initiatives, implement corporate strategies for these areas, and support the development of funding strategies to ensure accomplishment of the Army's goals in these areas.
- The desired end-state focuses on assuring access to affordable and reliable supplies of power and energy for Army missions as well as meeting DOD, Congressional and other federal mandates for energy and sustainability.
- The Army energy security and sustainability program will:
 - o Implement the Army Energy Security Implementation Strategy and the Army Sustainability Campaign Plan.
 - o Create a coordinated and systematically developed, balanced portfolio of initiatives and services to support energy security and sustainability across the Army
 - o Increase the Army's ability to provide the proper stewardship of natural resources while maintaining its operational capability; reduce our energy, water and waste footprint; and decrease associated costs.



16. HOLISTIC REVIEW OF THE ARMY FAMILY COVENANT

Problem Statement

Across the Army, there are 400+ programs and services that alleviate stress and sustain or improve the quality of life for Soldiers, Family Members, and DA Civilians. The Army lacks a holistic approach to service delivery that focuses on the most efficient use of resources to meet the needs of Soldiers, Families, and Civilians. The broad range of programs and services available both on- and off-post are overwhelming to our customers who report difficulty navigating the complex system of services. The Army also lacks adequate qualitative data to determine program efficacy in meeting patron needs.

Funding for Family and Child and Youth programs has doubled since 2007, not counting increased funding for other Quality of Life (QOL) programs across the Army Enterprise

Description

The Holistic Review of the Army Family Covenant (AFC) will identify, map, and document overlaps and gaps in current service delivery systems across the Army Enterprise. The Review will recommend opportunities to reduce redundancies, minimize gaps, synchronize service delivery, and rebalance resources to improve Soldier, Family, and Civilian access to services and provide knowledge and capabilities through a holistic case management system. The Holistic Review of the AFC supports and informs the Army Campaign Plan for Health Promotion, Risk Reduction, and Suicide Prevention (ACPHP) assessment

Desired Outcome

- Through the Service and Infrastructure Core Enterprise (SICE), the ACSIM/IMCOM CG will leverage the Holistic Review to transform Enterprise-wide QOL programs and services to better synchronize and optimize resource capabilities for Soldiers, Families, and DA Civilians
- The desired end-state is a well-being common operating picture for Commanders at local and Enterprise levels and delivery of programs and services that match patron needs.
- The Holistic Review of the AFC will:
 - Transform Army Community Service (ACS) delivery system from a “pull” to a “push” system
 - Create a systematically delivered, fiscally sustainable and balanced portfolio of services to strengthen Soldier, Family, and Civilian resiliency
 - Streamline and consolidate employment and transition services
 - Prioritize and scope highest value Child and Youth programs to mitigate negative effects of the military lifestyle on Families
 - Consolidate bifurcated, specialized services to streamline and improve delivery

17. FLEET PLANNING



Problem Statement

The current fleet planning process does not have a unified approach to determine OPTEMPO and common planning factors for EUL of weapon systems; an ability to leverage IUID and CBM+ enablers; or a database for standard data sources with the capability to link to LMP.

Description

Previous ME LSS projects led by HQDA G-4 and TACOM developed standard work for Fleet Planning, which provided management a common understanding of key inputs and functions to the fleet planning process, defined fleet planning roles and responsibilities and reduced the number of non-standard data sources (ME 5.6 Establish Fleet Management Process, ME 5.6.1 Establish Fleet Management Process TWV and ME 5.5.2 Fleet Planning Standard Work). This project will build upon the completed ME LSS project outputs to address the problem described above.

Desired Outcome

The ability for fleet planners and management to consistently make decisions to balance acquisition, recapitalization and sustainment across a systems life cycle to meet the Army's equipping and operational requirements; have the right assets in the right place at the right time, with minimized or optimized O&S costs related to fleet maintenance and Reset; provide timely communication and transition of critical knowledge to stakeholders across the LCMCs.



18. ARMY FORUMS REVIEW

Problem Statement

The HQDA Senior Leadership is supported by an array of existing forums, boards, and meetings that may not support effective and efficient decision making and management.

Description

- Create Efficiencies: Manage HQDA directed forums, committees, and meetings to eliminate redundancy and reduce unnecessary lower level supporting activities.
- Increase Effectiveness: Ensure HQDA directed forums, committees, and meetings are: enterprise focused, properly scoped and aligned with strategic priorities, timely, analytically supported, and outcome/effects-based to best support senior leadership requirements.

Desired Outcome

- Complete list of all HQDA senior leader forums, committees, and meetings.
- Comprehensive list of scheduled OSD and JS forums that involve Army leadership.
- Updated HQDA Battle Rhythm and complete list of all forums, committees, and meetings attended by Senior Leaders and/or multiple staff principals.
- Elimination of redundant HQDA directed forums, committees, and meetings (or combining ones with similar purpose) to reduce senior leader commitments.
- An enterprise approach to decision making that includes cost-benefit-analysis and appropriate assessment mechanisms to determine effectiveness and efficiency.



19. ARMY CIVILIAN LEADER DEVELOPMENT

Problem Statement

Army Civilians, in many cases, operate without a career program or career map outlining their career development alternatives, yet Civilians comprise 51 percent of the Army's Generating Forces including leadership and program management positions. Furthermore, Commanders/supervisors do not value Civilian career development and have not been willing to devote the necessary time and resources to ensuring that their Civilians receive training to make them as well prepared or ready to support the mission as their military counterparts.


- Army Civilian attitude surveys reflect a negative workforce attitude about the value of existing training.
- Almost half of Army non-wage grade civilian personnel are not covered by a Career Program and their training and development is managed in a de-centralized manner by commands.
- The training construct for the Army Civilian Corps is fragmented and lacks the fundamental guiding principles to acquire the full support of managers who are essential in the civilian development life-cycle.

Description

To train, educate, and provide experiences that progressively develop Army Civilian leaders to lead the Army enterprise and support full spectrum operations in the contemporary operating environment.

Implement the following actions and initiatives to provide a more robust leader development program that improves access for all Army Civilians and leverages the military programmatic from setting conditions to assessment and evaluation:

- Increase outreach and communication to the Army Civilian Corps in an effort to increase CES participation by 30% by the end of FY11; 60% by the end of FY12.
- Pilot for one year opportunities for a limited number of qualified Army Civilians to attend the Intermediate Level Education common core, on a space-available basis. Assess program value, identify and validate requirements by 30 Sep 2011.
- Implement and manage the Civilian Training Student Account (CTSA) for Army Civilians who attend Senior Service College.
- Collaborate with the G-3/5/7 Strategic Studies Directorate to establish the programmatic to support five fellowships and/or JIIM broadening assignments for senior Army Civilians by 30 Sep 2011.
- Implement congressionally directed supervisory and acculturation training.
- Leverage the Army Career Tracker portal to provide visibility (enterprise, supervisory and employee level) of training and professional development records by 30 Sep 2012. Integrate a number of existing systems for easy access and a "one-stop" shop for training and development record keeping.
- Deploy the G-3/5/7 Civilian Training and Leader Development Website to provide up-to-date information to all



Army civilians on training and education opportunities within the Army by 30 Sep 2011. Employ web analysis software to measure interaction.

Desired Outcome

Civilian Leader Development, if successful, should assist in achieving the goals of:

- Deliberately developed Civilians ready to practice essential leadership, technical and functional competencies
- Deliberately developed Civilians readied as a cadre of competitive internal candidates prepared to fill key and essential leadership positions
- Deliberately developed Civilians ready for joint, interagency, intergovernmental, multinational (JIIM) environments

Value proposition: The Civilian Leader Development Initiative will improve employee and organizational performance. Army activities will identify required position competencies and proficiency levels to identify gaps and establish, operate, maintain and evaluate employee training programs to close proficiency gaps.

The Civilian Leader Development Initiative will reduce redundancy by providing overarching civilian training processes and training management systems in support of the total human capital life-cycle.



20. FLEET MANAGEMENT EXPANDED

(Transfer of Training and Doctrine Command’s Field Level Maintenance mission of Training Equipment to Army Materiel Command)

Problem Statement

As a result of low readiness and inefficient maintenance of TRADOC’s training fleets, the alignment of TRADOC field level maintenance support functions to the appropriate AMC LCMC is necessary to gain efficiencies and improve TRADOC support to ARFORGEN. Before Fleet Management Expansion (FMX), TRADOC readiness averages were well below standards (Ground equipment 87% at Ft. Knox and Aviation 42% at Ft. Rucker).

Description


In FY02, FMX began as an initiative between AMC and TRADOC to improve the readiness of TRADOC’s training fleet. Successful pilot programs were established at Ft. Knox and Ft. Rucker in FY03. AMC has established capabilities through LCMCs to support ARFORGEN by providing field level maintenance to TRADOC’s training fleet. In November 09, the CG, AMC and CG, TRADOC signed the FMX Memorandum Of Agreement (MOA) to execute the transfer of the equipment field maintenance function, with direct funding and resources from TRADOC to AMC in FY12.

- TRADOC readiness improvements within TRADOC PPGs.

FIGURE 20A: READINESS IMPROVEMENTS

Overall Operational Readiness Rates			
Systems	FY 2002	FY 2009	Army Standard
Ground	87%	95%	90%
Aviation	42%	73%	75%

- Key tasks to complete the FMX mission transformation in FY12:
 - LCMC Implementation Plans were briefed to AMC in April/May 2010.
 - MIL to CIV Conversions – TRADOC agreed to transfer 1213 civilian and military positions with funding to AMC in FY12. The LCMCs are synchronizing with the 13 local TRADOC schools to provide input on the hiring process and ensure the military positions are converted on schedule. Mil to Civ conversions have begun at Ft. Huachuca, Ft. Lee, Ft. Eustis, Ft. Benning and Ft. Sill. Unidentified positions that did not transfer from TRADOC were submitted by the LCMCs in the FY12-17 POM.

- 
- o AMC must finalize the processes with TRADOC Centers of Excellence (COEs) to ensure maintenance support requirements are planned, programmed and budgeted for during TRADOC's Training Resources Arbitration Panel (TRAP) procedures.
 - o Equipment transfers – shortages must be identified and ordered prior to AMC accepting the equipment to ensure full mission success.

Desired Outcome

AMC and TRADOC will emerge further aligned to focus on their respective core competencies of materiel and human capital. By maintaining TRADOC's fleet, AMC is able to support ARFORGEN by improving readiness, realizing cost savings or avoidances and allowing TRADOC to meet its training requirements

The end state is a leaner, more streamlined and efficient field maintenance operation that is totally focused on TRADOC ARFORGEN support. LCMCs are concentrating on requirements, equipment reporting, equipment upgrades, STAMIS procedures and readiness. Realigning TRADOC's field maintenance functions under AMC Core Competencies improves responsiveness, provides flexibility to adapt to changing training requirements, allows equipment modernization and offers improved readiness in a constrained resource environment.



21. ARMY ITEM UNIQUE IDENTIFICATION

Problem Statement

The Army currently operates with business processes that require personnel to manually enter data for personal property items into automated information systems (AIS) for property accountability, financial management, and product lifecycle management. This process is labor intensive and allows errors to be introduced, thus impacting data integrity of Army AISs. Furthermore, the current process of assigning a serial number to an item to support unique item traceability is problematic because, in some cases, duplicate serial numbers have been assigned to multiple items by separate suppliers. Implementing IUID would resolve these problems. However, IUID is an OSD unfunded mandate and currently under resourced in the Army and other military Services. Investment in IUID marking infrastructure, IUID data “use” requirements integration into AISs, and required Automatic Identification Technology (AIT) needed to transfer IUID data is progressing at an incremental and suboptimal pace due to current resource constraints.

Description

IUID creates opportunities for information sharing between users at all levels in a net-centric environment. Establishing the Unique Item Identifier (UII) as the global data key in the Army Logistics Architecture Enterprise permits the data across our AIS to be linked to the individual item level of detail to support improved lifecycle management and financial accountability. IUID paired with AIT and AIS shall allow personnel to precisely identify what items are needed in the field; support analysis of reliability, age, condition, and effects of maintenance modifications; and improve their ability to optimize logistics processes and reduce Total Ownership Costs (TOC). IUID is:

- A critical component for the Common Logistics Operating Environment (CLOE).
- Enables greater logistics automation awareness and capability to the maintenance, supply and distribution community.
- Serialized Item Management (SIM) processes can be used for superior item visibility.
- Provides significant improvements in the analysis of maintenance indicators, readiness issues, and predicted failures in support of Condition Based Maintenance Plus (CBM+).
- Enables fleet management that results in increased capability to project future requirements, identify sustainment trends, and improve readiness.
- Optimizes warranty management through increased capability to identify items still under warranty, schedule the issue of items to maximize use while under warranty, and to identify counterfeit parts.
- Integrates the UII with radio frequency identification (RFID) to support individual item level of detail in-transit visibility (ITV) and distribution.



Desired Outcome

The expected outcome of IUID is to enable clean audit operations on Department of Defense (DoD) financial statements; improve asset visibility and lifecycle management; enable seamless transfer of product data into the supply chain; reduce errors and man-hours required under non-IUID enabled processes. Further, IUID will enable Army goals for CLOE, CBM+, Fleet Management, ITV and help reduce TOC. Ultimately our Soldiers will benefit through readiness improvements and reduced operational burden.



22. POTENTIAL TRANSFER OF ARMY MATERIEL COMMAND SPECIAL INSTALLATIONS TO THE ARMY INSTALLATION MANAGEMENT COMMAND

Problem Statement

The current environment for installation management support functions at 21 AMC installations does not conform to the Army's decision to transition into four enterprises in order to gain mission efficiencies. To adjust responsibilities for management of AMC special installations to leverage IMCOM core competencies and achieve better value for AMC customers using services provided via these installations and support for AMC activities and personnel.

Description

The Army is exploring realigning installation management responsibilities for AMCs 21 Special Installations to IMCOM. Mission support functions to be reviewed include real property accountability, facilities maintenance, repair, restoration and construction, law enforcement, emergency services, garrison management and select environmental functions. Four AMC Special Installations are participating in a pilot test. These are Anniston Army Depot, AL, (ANAD), Tooele Army Depot, UT, (TEAD), Hawthorne Army Depot, NV, (HWAD), and Holston Army Ammunition Plant, TN, (HSAAP). Several other efforts to fully align Army enterprise operations are related to this new initiative, including the realignment of Army Garrison logistics maintenance missions to AMC, and the realignment of Army Garrison IT support missions to NETCOM. The pilot test will not involve any transfer of resources from AMC to IMCOM. The key financial aspect of the initiative, to be validated during the pilot phase, is to have AWCF reimburse the Special Installation Garrisons for direct incremental support attributable to the AWCF mission. The AWCF will continue to retain responsibility for production and production related facilities and will, to the extent permitted by law, continue to fund Sustainment, Modernization, Replacement and Restoration costs for those facilities.

Desired Outcome

Services and infrastructure core operating competencies will be aligned with IMCOM and will result in:

- No increase or reduction in net operating cost of these installations
- A reduction of the Army Working Capital Fund (AWCF) rates
- Better support to AMC activities and personnel operating, using or living on these installations.



23. ENTERPRISE EMAIL & CALENDAR

Problem Statement

Department of Defense directed the Services to consolidate IT infrastructure where possible, to achieve greater economies of scale.

- DISA directed to lead a DoD Enterprise Email Initiative in support of consolidation goals.
- Currently the Army has 1.4M NIPRNet Users with 900K having two accounts (one at assignment and one at AKO) as well as 200K SIPRNet users
- Army Email is currently provided and managed by multiple providers (AKO, NECs, and Functionals) for both NIPR and SIPR generating forces requirements
- Initial Business Case Analysis (BCA) indicates that overall the Army can reduce the cost for delivering Email services by over 60% through the use of this DISA managed service
- The potential Return on Investment (ROI) achieved by enterprise managed email services and consolidation is \$150M in savings in first year post migration
- Pacing item driving other initiatives (Active Directory (AD) and Enterprise Service Desk (ESD) necessary to achieve further efficiencies

Description

In support of DoD's efficiencies directives, the Army CIO/G-6 has directed the migration from organizationally operated Email capabilities to a DISA managed Enterprise Email Service over a one year transition period. DISA is postured to begin migration of Army users starting with HQDA and CIO/G-6 on 1 Nov 10 with entire Army to be completed by 30 Sep 11.

- Army Email is currently provided and managed by multiple providers (AKO, NECs, and Functionals) for both NIPR and SIPR generating forces requirements
- The Army will continue to be the primary contact for Army customers, provide all end user devices and provide the initial support tier (Tier 1) for incident and problem resolution, executed at end-state through the Army Enterprise Service Desk (AESD)
- DISA will provide all data center and server side equipment, operate the associated data center infrastructure, and provide Tier 2 and Tier 3 support for incident and problem resolution

Desired Outcome

The primary mission drivers for the DoD Enterprise Email Service are improved mission effectiveness by using common, standard enterprise services; unification (e.g., improved security, enterprise directory services, and identity management services); and significant cost savings. The operational objective is to improve Army, thus



DoD operations by enhancing communication and collaboration across the DoD enterprise.

Enterprise Email & Calendar will:

- Reduced cost of email by eliminating unnecessary administration and inefficient network configurations to free up resources for other DoD priorities
- Reduced vulnerability of email to the growing cyber security threats by eliminating unnecessary seams between the thousands of current heterogeneous local networks
- More secure than current systems; centralization increases security – less individual servers & administrators
- Operationally Effective – Users improvements on current capabilities; email, contacts, etc. don't transfer at each PCS; enables Global Address List and Enterprise Calendar Sharing; increases email storage from 200 MB to 4 GB per user; increases collaboration ability
- Enables further Army Enterprise Network efficiencies; foundational to other initiatives (Active Directory (AD) and Enterprise Service Desk (ESD))



24. ARMY ENTERPRISE SERVICE DESK

Problem Statement

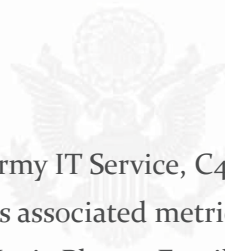
Multiple networks and duplicative IT services at Posts/Camps/ Stations (P/C/S) inhibit operations and increases cost. Additionally, the lack of standardization and cost accounting for IT functions across the enterprise adds complexity to cost recovery. Consolidation increases visibility of IT spending within the Army's program (less reliance on year-end migration). The Army has a number of disparate call centers, help desks, and service desks. These support centers were created to support specialized and unique missions, but each of them also has significant overlap and redundancy with other help/service desk(s) across the Army. The Army Enterprise Service Desk (AESD) initiative will eliminate or significantly reduce this redundancy and overlap creating efficiencies and improving fiscal supportability through consolidation and centralization. AESD implementation will resolve historically unsustainable IT service support by addressing the following inefficiencies:

- No enterprise-wide Situational Awareness of IT assets or their performance
- No centralized coordination of incident response for IT services across all Army command and functional echelons
- Multiple points of contact and multiple disjointed processes for any given IT user depending on the information system in use and/or the location of service
- Duplicated support missions across the Army that increases the cost of providing basic services (i.e., duplicated efforts among multiple services desks with multiple providers, product developers, and commands)
- No measurable and reportable enterprise-wide set of Service Desk, Configuration Management Data Base (CMDB) or standard IT Services Management (ITSM) business

Description

AESD provides a single point of contact, to all Army enterprise network users, for technical and operational support on all Army enterprise applications, computing environments, and transport means. The primary mission of the AESD is to provide 24 x 7 x 365 support services for all LandWarNet IT service requests, issues, or inquiries. It is the primary point of contact for LWN IT service consumers in any theater and is integrated with the Army NetOps facilities providing IT service operations within each theaters and provides the focal point for coordination with Army and Department of Defense (DoD) support organizations.

- Provides cost-effective way to provide 24x7 coverage for high priority users/issues
- Provides Army wide Situational Awareness and Command and Control for Enterprise IT Services
- Establishes a unified enterprise IT asset and configuration management system; develop a globally cooperative and consistent approach to managing the configuration, security, and operation of the Army enterprise information processing and transmission systems, across all command and functional echelons
- Provides the US Army standardized enterprise ITSM with integrated CMDB capability



- Enables virtual service desk tracking for all Army IT Service, C4ISM related tasks
- Defines IT service requirements and monitors associated metrics
- Establishes One-stop-shop for all Tier 1 ITSM, via Phone, Email, Web, etc. into a standardized support process
- Provides Service Level Agreements (SLAs), Organization Level Agreements (OLAs) and General Officer Dashboard visibility for IT Compliance
- Huge strategic opportunity with existing infrastructure; AESD is a key enabler for application hosting, Email outsourcing, Active Directory consolidation and BRAC

Desired Outcome

AESD consolidates service/help desk support at the enterprise level to improve operational effectiveness and create resourcing efficiencies in support of a fiscally sustainable IT service support capability. AESD delivers the standardized IT service support with improved operational performance at best value for the Army. The Army has established three Enterprise Service Desks: two for the NIPRNet and one for the SIPRNet.

Army Enterprise Service Desk achieves the following:

- Dynamic Problem Resolution Team to tie Tier 2/3 and functional expertise that is standard and available to all Army users
- One Global phone number to call for IT support no matter what the issue is, replaces multiple help desks
- Commercial IT Best Practice for Enterprises
- PEO EIS Partnership with ITA, USAR, Army NG
- Fundamental to “One Network” strategy for an Army Enterprise Network (AEN)

Army Enterprise Service Desk will:

- Improve operational capability globally by providing one global phone number for IT support and delivering standardized support services to the warfighter throughout all Joint Operational Phases
- Realize economies and efficiencies while improving effectiveness by leveraging industry concepts and technology to develop and provide an IT support environment that provides support to Army IT users below industry average support costs, while maintaining higher than industry customer satisfaction ratings
- Reduce redundancy through consolidation and centralization that will result in fewer organizations across the Army providing support services from disparate locations
- Save the Army resources (\$, personnel, time)
- Increase capability at the NECs; network availability, security and responsiveness
- Reduce time for network support; initial First Call Resolution (FCR) rates were running in the 4%-5%, after initial AESD implementation the current FCR rate is between 66%-78%



25. ARMY CORROSION PREVENTION AND CONTROL

Problem Statement

The Office of the Secretary of Defense (OSD), through the Logistics Management Institute (LMI) reports that the Army spends approximately \$5.7B annually on preventive and corrective maintenance actions due to corrosion of fielded aviation systems, missile systems, ground vehicles, established facilities and infrastructure. This does not include the costs associated with corrosion prevention and control activities of science and technology, research and development, systems engineering, logistics supportability analysis, packaging, preservation, storage, technical publications, manpower, construction, training and education. The Army does not have total visibility of the total amount of funds needed or spent for CPC.

We do not have an adequate definition of CPC capabilities in the Joint Capabilities Integration Document System (JCIDS) and this leads to less than effective application of best business practices for CPC in contract performance. Training of our operators and maintainers is insufficient in corrosion identification and mitigation.

Description

Creation of a comprehensive Army-wide integrated equipment and facility corrosion prevention and control program under the oversight of the Army Corrosion Control and Prevention Executive. Fund and resource a headquarters CPC organization to manage the program activities. Approve an Army Corrosion Strategic Plan which will address the activities needed to solve the stated problem.

Desired Outcome

With an approved strategic plan, a resourced corrosion prevention and control office, this initiative will establish the appropriate mix of policy, procedure, and oversight to not only gain visibility of the funding needed/spent for corrosion prevention and control, but will result in a reduction of those costs by reducing the impact of corrosion on our equipment and facilities.



26. SECURE MOBILE WORKFORCE

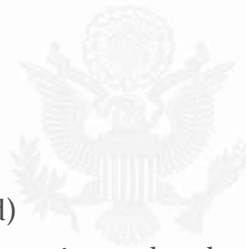
Problem Statement

The 21st Century workforce is accustomed to having ubiquitous information access in their personal lives and demands the same in their professional lives. As the U.S. Army is in competition with the rest of the world for workers, providing 21st century tools is essential to attract and retain best talent. By 2013, the International Telecommunications Union estimates that approximately three quarters of the U.S. workforce will be mobile. Mobility has long been regarded as a critical element of the modern battlefield and it is becoming an equally critical discriminator in the information and business world. The U.S. Army must also capitalize on workforce mobility in order to execute its mission while minimizing work loss due to pandemics, extreme weather emergencies and terrorist events. Additionally, U.S. Army professionals are increasingly mobile even when they are not deployed. They have a requirement to leverage technology and the Internet to work away from their office-remotely while in transit to alternate worksites, while at alternate worksites, while on temporary duty, while at home and while collaborating with teams worldwide. The Army's Enterprise Information Technology environment currently lacks the ability to un-tether people from the fixed infrastructure, and to enable a truly mobile work environment capable of supporting user needs for instant access to information and the tools to do their job, anytime, anywhere. The implementation of Army Knowledge Online (AKO) Secure Mobile Workforce (SMW) is intended to provide multiple tools to address this critical need, and provide a basis for updating related U.S. Army policy.

Description

This initiative is the basis for a pilot deployment of secure mobile technology planned for the Army's Chief Management Office (CMO), Business Transformation Task Force Offices and other organizations to be determined.

- Phase 1: (Mid 2011) The purpose of this phase is to demonstrate and prove feasibility of potential applications of SMW capabilities that un-tether the workforce from their fixed offices. Identify and validate SMW requirements. Capabilities and dependencies to be addressed:
 - o Enterprise management (provisioning, security, maintenance, procurement, etc.)
 - o Secure Wi-Fi in the office, Wi-Fi/3G on the move
 - o CAC-enabled AKO email, calendar, personal address book and tasks on handheld (iPhone, iPad, Android and Windows Mobile)
 - o Application set (e.g. instant messaging, Apps for the Army, etc.)
 - o Focus on non-tactical (Business users) environment
 - o Identify U.S. Army policies for revision
 - o Establish basis for business case analysis for an U.S. Army-wide SMW



- o Mobile Search capability
- o Secure mobile browser (CAC-protected)
- Phase 2: (Late 2011) Expansion of technology, review and update/development of the following areas:
 - o Blackberry, Android and Windows Mobile Platforms
 - o Social Networking Tools (e.g. milBook, milTube)
 - o Collaboration Tools (e.g. milWiki, milBlog)
 - o Fuller exploitation of Army Private Cloud
 - o Additional Apps
 - o Enable AKO calendar support for caldev clients (on iPads, iPods, etc.)
 - o 1#4Life (One telephone number for life)
 - o Identify other useful mobile technologies (alternative power sources, mobile projectors, etc.)
- Phase 3: (FY 2012) Enterprise level procurement to transform the Army's workspace:
 - o Establish contracts for International mobile devices
 - o Establish contracts for other SMW technology
 - o Evaluate feasibility of global wireless infrastructure
 - o Evaluate location based applications and implementation.

Desired Outcome

This pilot will establish the effectiveness of the SMW concept and help identify barriers to U.S. Army-wide implementation. It will be the basis of a business case analysis to confirm that the U.S. Army can reduce its estimated annual IT costs for individual PC workstations that in industry are between \$5,033 to \$9,900 depending on the IT department's expertise. Additionally, this technology can assist the Army in accomplishing Federal objectives for green initiatives, paperless office, telecommuting and disaster scenarios.



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SECTION IV

Appendices

APPENDIX A – THE ARMY INTEGRATED MANAGEMENT SYSTEM

The Integrated Management System

Our goal for Army business transformation is to achieve an Integrated Management System that is performance-based and outcome-focused. The purpose of the Integrated Management System is to help leadership make better resource-informed decisions resulting in “Readiness at Best Value” rather than “Readiness at Any Cost.” Currently, the Army management structure is composed of various management systems tailored to specific areas (logistics, finance, human resources, etc.). Though effective in their respective areas, today’s complex and rapidly changing environment requires a holistic view of the Army. To achieve an integrated management system, the Army must align with Department of Defense and make a concerted effort to integrate business operations across the Army’s various functional areas. This means arriving at a common set of outcomes for the entire Army to work towards identifying and aligning measurable objectives, establishing performance metrics, measuring and monitoring performance, establishing feedback mechanisms, and adjusting processes as needed based on lessons learned.

The Army’s Integrated Management System is an integrated set of management processes. The components include:

- Strategic Planning
- Enterprise Governance
- Enterprise Architecture
- Decision Support
- Data & Information Systems
- Performance Management
- Leadership
- Culture Change

The benefits of an Integrated Management System are enormous. Much more than just measuring performance, this approach focuses the entire Army toward results. The Army will be focused on achieving better performance – whether it be obtaining clean financial audits or reducing cycle times on a manufacturing line. The Integrated Management System is a framework for guiding the entire Army to improved business operations. Outcomes are universally known and effectively articulated and metrics are linked together to reveal how business processes impact one another and how taken together they all contribute to the organization’s performance. Leadership has clarity on what matters most to the organization – and resource-informed decisions can be made easily as the root causes of business challenges can be quickly identified and eliminated.

FIGURE A1: COMPONENTS OF THE INTEGRATED MANAGEMENT SYSTEM





The following describes some other benefits associated with each component of the Integrated Management System:

- **Strategic Planning.** Develops and communicates clear Army business strategies, goals, and outcomes and aligns business rules and policies with the stated goals and outcomes.
- **Enterprise Governance.** Clarifies the roles, responsibilities, and decision rights; synchronizes, aligns, and integrates governance forums across the Department and eliminates redundant forums/meetings, as appropriate.
- **Enterprise Architecture.** Streamlines efficient end-to-end business processes aligned to the business enterprise architecture; ensures the need to tailor the supporting commercial off-the-shelf systems has been eliminated or reduced to the maximum extent practicable.
- **Decision support.** Provides timely, integrated information and analysis to support resource-informed, output-focused, performance-based decision making and internal/external reporting, while ensuring transparency of resources (such as personnel, equipment, facilities, technology, and funding).
- **Data & Information Systems.** Provides authoritative, timely, accurate, reliable, and objective data sources and access, manage, and provide the data to support analysis and decision-making.
- **Performance Management.** Establishes goals, measures, and targets that provide senior leadership with the capability to assess performance against the stated business goals (incorporates accountability and incentives to improve performance).
- **Leadership.** Develops initiatives to adjust performance and makes resource-informed and outcome-focused decisions based on accurate and timely information. Leads the Army business transformation effort.
- **Culture change.** Empowers the entire organization to improve through the use of education and development -- armed with the necessary knowledge, experience, and competencies to make sound enterprise-level business improvements.

FIGURE A2: FOUR STEPS TO EFFECTIVELY IMPLEMENT AND MAINTAIN THE IMS



Implementing Army Business Transformation

The Army will implement an Integrated Management System in a manner that is aggressive, realistic and measurable. The following section outlines each of the four steps to effectively implement and maintain an Integrated Management System.

Step 1: Plan for Business Success

The three phases of Step 1 include: Strategic Planning, Enterprise Governance, and Enterprise Architecture. Each is described below.

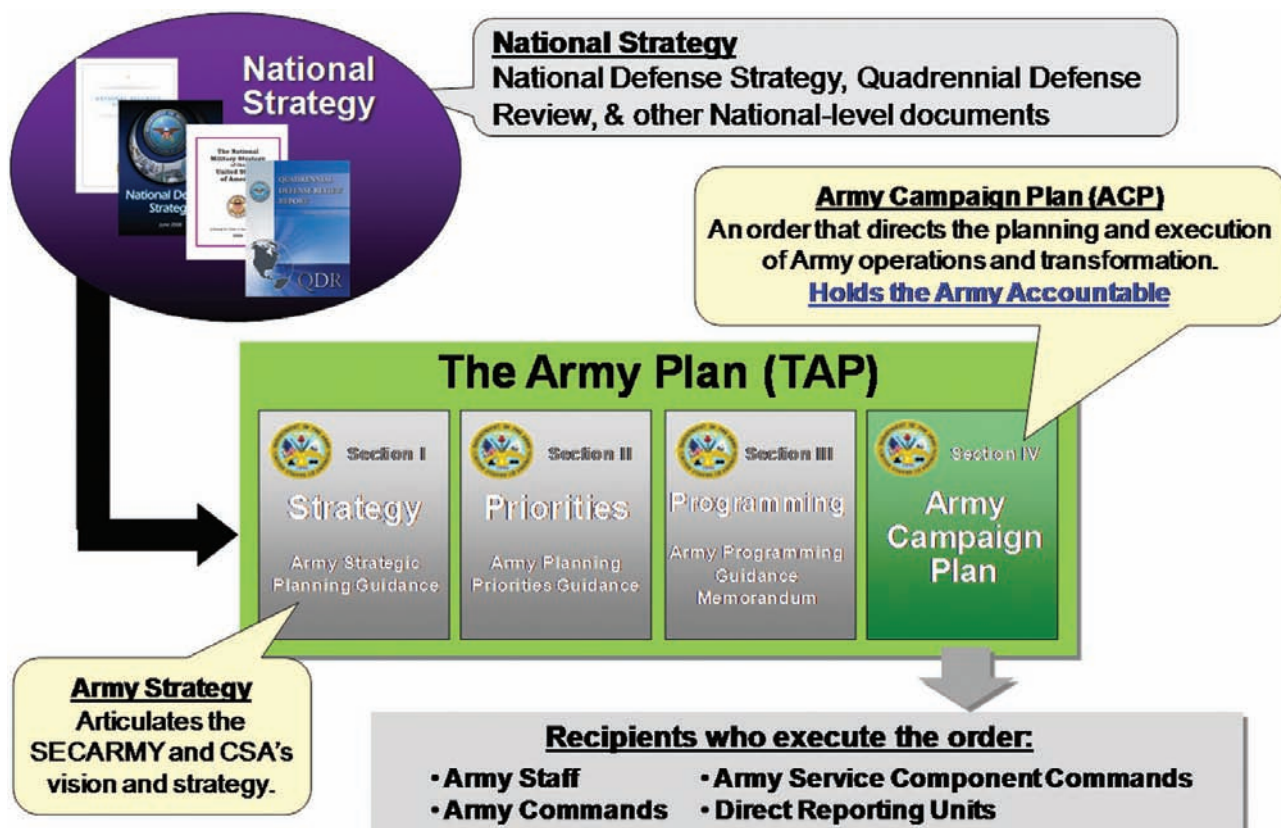
Strategic Planning. A significant and positive change from previous business transformation efforts, this year the Army has made business transformation and continuous process improvement part of Army Strategy. No longer is business transformation conducted in isolation across the Army – today business transformation is a central theme for Army management. This is documented in the Army

Campaign Plan, a living document that directs organizations throughout the Army to take specified actions based on The Army strategy and the development of the budget. This year, the Army Campaign Plan assumes a greater role as a strategic management plan and performance measurement tool.

The Army's enduring management doctrine is to “set goals, measure our performance, continuously improve, and hold ourselves accountable, while remaining connected to those we serve.”

-- DAGO 2007-00, Managing the Headquarters, 9 March 2007

FIGURE A3: THE ARMY PLAN AND THE ARMY CAMPAIGN PLAN





The Army Campaign Plan is critical to the Army's Business Transformation Plan because it is the vehicle for linking business transformation efforts to Army Outcomes and for measuring the progress of the transformation effort and its contribution to the Army's desired outcomes and objectives. The Army Campaign Plan document, strategy map and associated forums help bring greater transparency to the Army's transformation efforts, and hold the Army accountable for completing its objectives and ultimately achieving its desired outcomes. More detail on the Army's use of the Army Campaign Plan is presented later in this Business Transformation Plan

Enterprise Governance. Multiple governance forums have been established across the Army to offer different perspectives to business challenges across the human capital, materiel, readiness, and services and infrastructure. Last year, the most senior leaders of the Army chartered the Army Enterprise Board. Members meet monthly to discuss strategic issues facing the Army, review progress, and to offer advice to the Secretary of the Army. In addition, organizations across the Army having similar missions and functions were grouped into "core enterprises". Assistant Secretaries of the Army have been linked to their corresponding military Army Command counterparts. For example, the Assistant Secretary of the Army for Manpower and Reserve Affairs and the Army's Training and Doctrine Command comprise the Human Capital Enterprise. The fourth core enterprise is solely concerned with the readiness of the force. The Readiness Core Enterprise is led by the US Army Forces Command.

The purpose of the Army Enterprise Board is to advise the Secretary of the Army -- it serves as a forum for collaboration and synchronization and is responsible for reviewing strategic Army issues. Recommendations to the Secretary support Army enterprise-wide results in the best interest of the Army and Department of Defense. The focus of the Army Enterprise Board also may include: Army enterprise-wide results in support of national strategy; strategic alignment of the Army with the Department of Defense; Army strategy and policy; Army institutional structures and processes; strategic distribution of Army resources; quality of life for the Army; and the All-Volunteer Force. The Army Enterprise Board reports to and receives its direction from the Secretary or a designated representative.

Core enterprises are groups of like organizations with the Department -- functionally aligned along the Army's Title 10 end-to-end lifecycle functions. The establishment of core enterprises enables stakeholders to collaborate, share ideas and propose solutions to common problems. They share mutual interest, but do not have command and control relationships.

Another significant enabler to the success of business transformation is the improved governance of business system information technologies. The Business System Information Technologies Executive Steering Group focuses on strategic alignment of Army enterprise business information systems, technologies and processes with the Department of Defense; Army enterprise-wide standards logistics, human resources, finance, and services are considered the Army's primary functions.



The BSIT ESG brings together the resourcing, materiel development of business information technology systems, and Army enterprise-wide alignment and integration of cross-functional business information technology and processes. We are implementing commercial off-the-shelf software suites to modernize, streamline and standardize processes used to manage people, money, programs, equipment and supplies. The initial benefits include reducing the cost of operating legacy systems, improving financial compliance, reducing inventory, enhancing data quality, and streamlining business processes. The Office of Business Transformation, in concert with Army business process owners and materiel developers will guide the direction of the Army business system operations and Information Technology program initiatives.

Enterprise Architecture. As discussed in Part II of this Business Transformation Plan the systems architecture will be optimized to support the Army's business functions. The enterprise architecture describes the structure of the Army enterprise along with its business processes, business rules, supporting IT systems and data. It is a key part of ensuring the Army invests wisely in capabilities that are meaningful. The Business Systems Architecture & Transition Plan as discussed in Section II of this plan, outlines the information technology systems to support the business systems and serves as a roadmap for optimizing business operations and developing a fully integrated digital platform that is aligned with the Army business operating model.

Step 2: Implement the Plan

There are two phases to "Implement the Plan." They include Decisions Support and Data and Information Systems. They are described below:

Decision Support and Data and Information Systems. As mentioned previously, the Army Campaign Plan has taken on a new and more robust role as a strategic management document and performance management tool. The information and data collected by the business transformation efforts embedded in the Army Campaign Plan provide leadership valuable information on which to base their decisions.

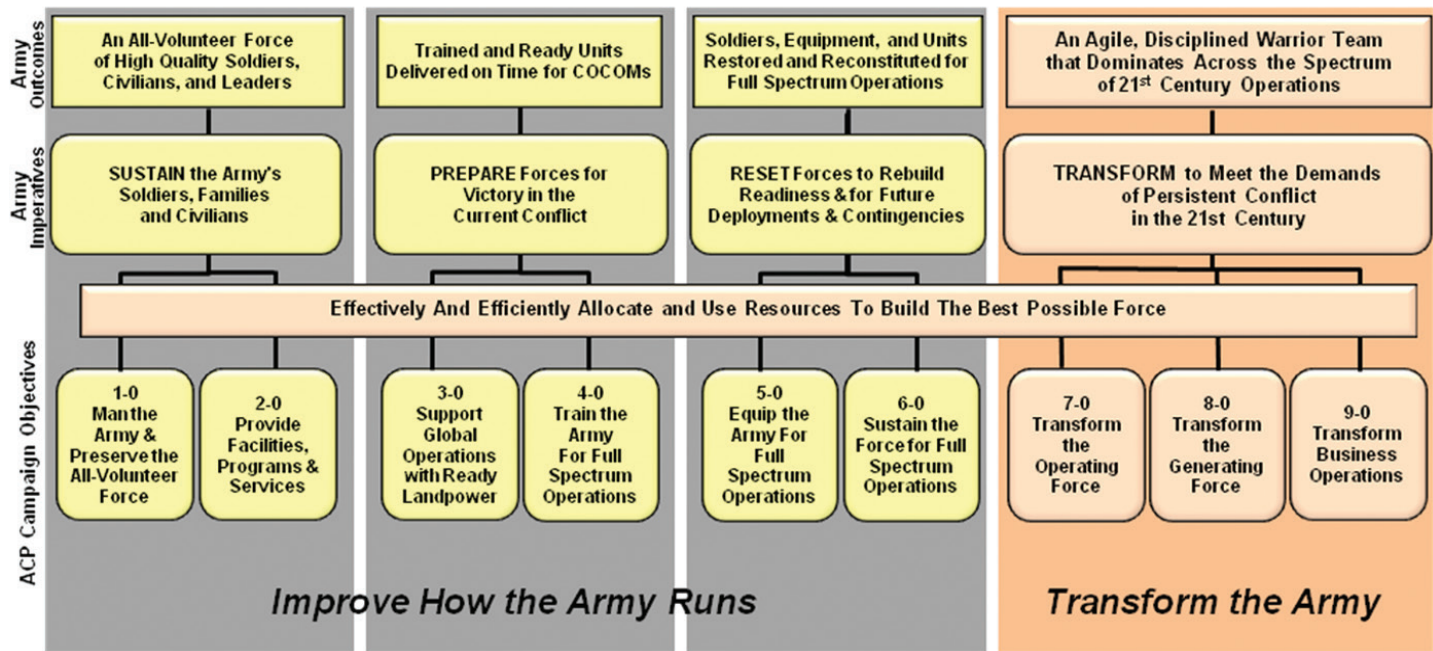
The Army Campaign Plan Strategy Map depicts the objectives (ways) that are necessary to accomplish the Army Imperatives and Army Outcomes (ends). Each objective serves a key role in focusing the Army's resources (means)—including people, money, equipment and time—ultimately allowing the Army to accomplish its mission. The Army will continue to use the Army Campaign Plan to ensure that all transformation efforts, to include Business Transformation, are captured and drive key actions and activities of the Army. Governance forums regularly monitor the Army Campaign Plan to be able to make timely and accurate decisions.

One of the four Army imperatives on the Army Campaign Plan strategy map is "Transform to meet the demands of persistent conflict in the 21st Century. Three Transformation Campaign Objectives whose overarching requirement is to effectively and efficiently allocate and use resources to build the best possible force include:



Transform the Operating Force (7-o); Transform the Generating Force (8-o), and Transform Business Operations (9-o).

FIGURE A4: ARMY CAMPAIGN PLAN CAMPAIGN OBJECTIVES



Compared to the transformation efforts underway under Army Campaign Plan Campaign Objectives 7-o through 9-o, the continuous process improvements underway in 1-o through 6-o may be more focused in scope and scale. The improvements may be significant, but not as far-reaching as enterprise-wide transformation efforts. Process improvement efforts in Campaign Objectives 1-o through 6-o may not usually require hands-on, day-to-day involvement or management from senior leaders.

On the other hand, the focus of Army Campaign Plan Campaign Objectives 7-o through 9-o is to review processes with a view to question, thoroughly examine and ultimately, radically reengineer the manner in which some business processes, policies and procedures are executed. These transformation efforts have the attention of the highest levels of the leadership in the Army and are aligned to Department of Defense, Office of Management & Budget, and Government Accountability Office High Risk Areas.

While “Supporting Global Operations with Ready Landpower” (3-o) is clearly the top priority of senior leadership there is an understanding that the need to transform must also occur to “meet the demands of the 21st century”.



Step 3: Assess Business Progress

There is only one phase associated with Step 3: Assess Business Progress – Performance Measurement as described below.

Performance Measurement. To measure the impact of business transformation, the Army has developed performance metrics applied to each of the Campaign Objectives and subordinate Major Objectives on the Army Campaign Plan Strategy Map (see Figure 4). The measures provide valuable insight into various business operations. The metrics are brought to life through the use of an automated performance measurement system called the Strategic Management Systems. This assigns accountability and responsibility to process and metric owners. Having the process owners of each business function develop the metrics and conduct regular measurements of progress. Accountability and responsibility are tools of empowerment and will help achieve the stated Army Outcomes and while creating a positive culture that thrives on performance measurement and improvement. Involvement creates ownership which increases loyalty and commitment which increases accountability.

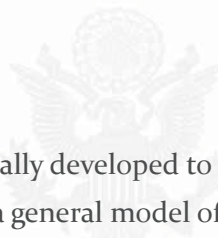
The Business Transformation effort will map existing measures to the Army Campaign Plan. This will align performance measurements to the strategic plan and link assessments to outcomes. To provide a holistic approach to assessing transformation, the Army will implement performance measures that integrate in two directions: vertically and horizontally.

Vertical integration of performance measures motivates and improves performance by focusing all Soldiers and Civilians' efforts on the Army's strategic objectives. Horizontal integration of performance measures assures the optimization of work flow across all process and organizational boundaries. These performance measures are customer-focused and assess the enterprise-level capability of a process to provide value from the customer's perspective.

Periodic reviews are conducted to gauge progress and determine what corrective action needs to be taken by the leadership. The Chief Management Officer will conduct regularly scheduled periodic reviews of the Army Campaign Objectives to assess progress against the Army Outcomes.

As performance information is gathered and analyzed, opportunities for reengineering and improved allocation of resources will become clear. The Army will benchmark performance for targeting initial improvement priorities. This approach is critical for selecting initial improvement targets. Once the larger gaps are closed or narrowed, continuous improvement is made possible by maintaining, refining and regularly using performance metrics.

Measuring the Implementation of the Integrated Management System. Capability Maturity Models have been used extensively worldwide in government, commerce, industry, and software development organizations.



Though the Capability Maturity Model was initially developed to support software development, it can be, has been and continues to be widely applied as a general model of the maturity of processes. The Government Accountability Office references the Capability Maturity Model in their guides on improving business processes.¹¹

We will apply a CMM to measure the progress of implementing the Integrated Management System. Each of the components for the Integrated Management System will be measured on five-level maturity continuum - where the uppermost (5th) level is a notional ideal state where processes would be systematically managed by a combination of process optimization and continuous process improvement. For a complete discussion on the elements of the Army Integrated Management System, see Appendix A. Appendix D provides additional details on the CMM.

Lean Six Sigma. In addition to developing and implementing the Integrated Management System, the Army continues to improve performance through the use of the Army's Lean Six Sigma Program – one of the largest Lean Six Sigma deployment efforts in the Nation. Lean Six Sigma is a business management strategy originally developed for use in the private sector. Lean Six Sigma seeks to improve the quality of process outputs by identifying and removing the causes of defects (errors) and minimizing variability in manufacturing and business processes. It uses a set of quality management and statistical methods, and creates a special infrastructure of people within the organization who are experts in these methods.

Over five years ago we understood that comprehensive transformation of the Army would demand a revolutionary solution. We knew that we needed a team of seasoned Lean Six Sigma professionals with a deep and clear understanding of all aspects of “How the Army Runs”. The Lean Six Sigma Program began with a few driven practitioners doing small projects, picking “low-hanging fruit”, in small organizations and units across the Army. The program steadily grew over the years, gaining momentum, learning and growing along the way. Today, the Army boasts a cadre of over 6000 Lean

Lean Six Sigma is the Army's tool of choice to increase quality, efficiency, and effectiveness while reducing cycle time and variance. Since 2006, we have completed 5,287 projects generating significant financial and operational benefits. There are an additional 1,909 projects are under way. In 2009, the Army submitted \$96.6M worth of projects in an Office of Management and Budget inquiry to support President Obama's \$100 million cabinet-wide savings

The Army's accomplishments received nation-wide coverage and attention. As a result of adapting our institution to think, act, and operate in an enterprise approach, leaders will continue to make resource informed decisions that achieve Readiness at Best Value versus Readiness at Any Cost.

¹¹ US GAO Executive Guide, Information Technology Investment management: A Framework for Assessing and Improving Process Maturity, March 2004, Version 1.1, GAO-04-394G



Six Sigma trained and certified practitioners capable of routinely taking on enterprise level projects with excellent results.

Performance Budget. The Army is consolidating its performance reporting in support of the Office of the Secretary of Defense Performance Budget utilizing the Army's Strategic Management System. This provides increased visibility and quality assurance to the Army performance reporting against the Department of Defense Strategic Management Plan.

Step 4: Adjust for Continuous Improvement

The last step in implementing the Integrated Management System is "Adjust" which includes leadership and culture.

Having the involvement of the Army's senior leaders, including the Secretary, the Under Secretary and the Assistant Secretaries, provides another prominent indicator of a move to a more strategic approach. More importantly, performance measures and targets will allow the Army to assess its progress against achieving enterprise-wide outcomes and associated business objectives.

Leadership. Armed with a strategic plan, effective governance, and timely and accurate data, leaders are able to see the patterns of performance and understand with a new perspective the trends and shifts that they may not have known existed previously. Leaders will understand vast amounts of information about the Army. For example, with the IMS leaders will be able to see the root causes of issues much more quickly and as a result they will be able to adjust and not lose time or waste valuable resources with this feedback. They will understand how business systems interact, and at times how they unintentionally sabotage or restrict performance. And last, leaders will understand what matter most – where to apply resources and most important which business systems or processes to abandon or which to stop applying resources.

Culture. The Army is extremely fortunate to have a diverse leadership team of talented, experienced, and knowledgeable professionals. However, people think, act and operate according to the prevailing culture and unfortunately, for many years our culture has been to obtain "Readiness at Any Cost." To sustain the long term health of the Army, we must adjust our culture to one that is performance-based and outcome-focused to achieve "Readiness at Best Value" instead.

By focusing the entire organization on Readiness at Best Value, we are beginning to establish a cost and performance culture in which leaders better understand the total cost of the capabilities they use and incorporate cost considerations in their planning and decision-making processes.

Having an Army management team that thinks, acts, and operates for the good of the entire Army as opposed to the good of individual organizations will allow us to shift funds to areas of higher priorities more quickly.



APPENDIX B – THE ARMY ENTERPRISE GOVERNANCE

Army Enterprise Board (Established by Charter)

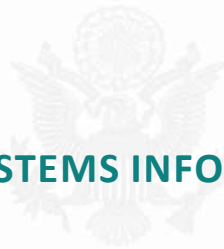
The Army Enterprise Board's purpose is to advise the Secretary of the Army. As the Department's senior strategic advisory body, it serves as a forum for collaboration and synchronization in the Department of the Army. It is responsible for reviewing strategic Army issues and providing advice to the Secretary of the Army. Recommendations support Army enterprise-wide results in the best interest of the Army and the Department of Defense. The Army Enterprise Board will advise the Secretary of the Army and the Chief Management Officer on the pace and direction of Institutional Adaptation. Subject to the authority, direction, and control of the Secretary of the Army, the Army Enterprise Board's focus may include: Army enterprise-wide results in support of national strategy; Strategic alignment of the Army with the Department of Defense; Army strategy and policy; Army institutional structures and processes; Strategic distribution of Army resources; Quality of life for the Army; and The All-Volunteer Force. The Army Enterprise Board reports to and receives its direction from the Secretary or designated representative.

Army Management Enterprise (In Initial Stages of Development)

Envisioned to be a functionally aligned collaborative entity that is focused on the overarching management of the Army enterprise. The Army Management Enterprise is responsible for the synchronization and integration input from of the Core Enterprises and their outcomes to facilitate the planning, organizing, directing, and controlling of the Army enterprise's operation so that the Army's objectives can be achieved effectively and efficiently. Additionally the Army Management Enterprise will advise the Secretary of the Army on army-wide management issues that sustain readiness and preserve the All-Volunteer Force. As such the Army Management Enterprise's key stakeholders include the Headquarters, Department of the Army, Army Commands, Army Services Component Commands, and Direct Reporting Units.

The Army Core Enterprises (In Initial Stages of Development)

The Core Enterprises are functionally aligned along the Army's Title 10 end-to-end lifecycle functions, these entities establish a forum for collaboration among the Army's senior leaders and other stakeholders to share ideas, and propose solutions to common problems. As such they share mutual interest, but do not have command and control relationships. The Army has organized four functionally aligned Core Enterprises in the areas of Human Capital, Materiel, Readiness, and Services and Infrastructure, corresponding to a rough division of the Secretary of the Army's Title 10 responsibilities. For example, those organizations involved in recruiting, assessing, and conducting individual training, are grouped together with those charged to manage the Army's personnel throughout their careers in the Human Capital Enterprise.



APPENDIX C – THE BUSINESS SYSTEMS INFORMATION TECHNOLOGIES

The Business Systems Information Technologies Executive Steering Group

The Business Systems Information Technologies Executive Steering Group was established 14 June 2010. It is an intra-Army, departmental committee that advises the Chief Management Officer of the Army. It has no authority nor performs any duties or responsibilities independent of the authorities, duties and responsibilities vested by law in the individuals comprising it.

Specifically, the purpose of the Business Systems Information Technologies Executive Steering Group is to advise the Chief Management Officer on Army-wide requirements for and the synchronization, integration, prioritization, and resourcing of Army Business Information Technology systems with focus on enterprise resource planning instances.

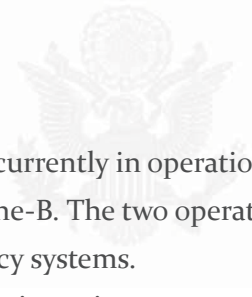
Subject to the authority, direction, and control of the Secretary of the Army, the Business Systems Information Technologies Executive Steering Group's areas for advice and focus includes but is not limited to:

- Strategic alignment of Army enterprise business information systems, technologies and processes with the Department of Defense.
- Army enterprise-wide standards, functional requirements, resourcing and materiel development of business information technology systems.
- Army enterprise-wide alignment and integration of cross-functional business information technology and processes.

Enterprise Resource Planning Strategy

The Army is transforming its business operations through execution of an Integrated Management System that ensures the enterprise works toward a common purpose, across lifecycle management functions, through and across organizational layers, and incorporates efficiency, effectiveness and value trade-offs at every level. Success in achieving an Integrated Management System requires changes to the business operating model, engaged governance, and well-conceived technology support.

To support these requirements the Army maintains four enterprise resource planning systems. An enterprise resource planning system is an integrated computer-based system used to manage internal and external resources, including tangible assets, financial resources, materials, and human resources. It is a software architecture whose purpose is to facilitate the flow of information between all business functions inside the boundaries of the organization and manage the connections to outside stakeholders. Two enterprise resource planning systems; Logistics Modernization Program and General Fund Enterprise Business System are currently operational. The



third, Global Combat Support System-Army is currently in operational assessment and a fourth, Integrated Personnel and Pay System-Army is pre-milestone-B. The two operational systems are providing benefits to the Army and reducing reliance on antiquated legacy systems.

Each enterprise resource planning system has unique circumstances and program risk, and these will be taken into account when developing the Army's Enterprise Resource Planning Strategy.

Logistics Modernization Program

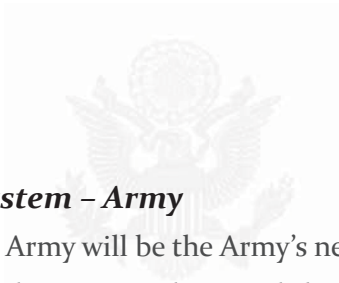
The Logistics Modernization Program replaces two major outdated legacy systems supporting the Army Working Capital Fund supply and industrial activities and provides a modern solution capable of supporting Army end-to-end business processes. It generates efficiencies in re-manufacturing, allowing greater visibility of process constraints to enable improved process flow, supports improvement in recognition of total cost of ownership by capturing all cost associated with equipment repair, and facilitates management decision making at local and enterprise levels through access to near real-time data. Logistics Modernization Program improves Army Working Capital Fund financial statements and plans are in place to achieve full Standard Financial Information Structure and Federal Financial Management Improvement Act compliance.

General Fund Enterprise Business System

The General Fund Enterprise Business System provides a Federal Financial Management Improvement Act compliant general ledger financial system needed to obtain an audit opinion. General Fund Enterprise Business System is currently fielded to about 5,000 users including installations, commands, Defense Finance and Accounting Service, and Headquarters Department of the Army, and is processing \$5 billion financial transactions. Fielding has enabled significant business process change including elimination of intra-Army general fund reimbursable orders, compliance with Department of Defense Financial Management Regulation obligation criteria, and standardized funds and cost centers. Upon full scheduled deployment in January 2012, General Fund Enterprise Business System will subsume the functionality of 90+ legacy systems.

Global Combat Support System-Army

The Global Combat Support System-Army deployed the first generation of the Army's enterprise logistics system in 1st Quarter of Fiscal Year 2008. Release 1.0 was successfully implemented in the 11th Armored Cavalry Regiment B Direct Support Unit and replaced the Standard Army Retail Supply System. The Operational Assessment proved highly successful and provided valuable information that was leveraged for the July 2010 "Go Live" of Release 1.1 which integrated Maintenance, Property Book, Unit Supply and Finance for tactical logistics with Retail Supply. Developmental testing of Global Combat Support System-Army is progressing well and providing valuable input in preparation for the next development stage.



The Integrated Personnel and Pay System – Army

The Integrated Personnel and Pay System – Army will be the Army’s new web-based Personnel and Pay, Human Resources management system that standardizes, streamlines and shares critical data across the Active Army, the Army National Guard and the Army Reserve. This system will create one personnel record per Soldier for their entire career, and will automate pay procedures so that personnel actions automatically trigger associated pay events. It will replace multiple systems. The Web-based The Integrated Personnel and Pay System – Army will also feature a self-service capability that allows the Service Member to update portions of their personal information 24 hours a day. The integration of Active Component/Reserve Component Personnel/Pay functionality represents major transformational business process reengineering within the Army Personnel and Finance Communities.



APPENDIX D – ALIGNING THE ARMY NETWORK AS AN ENTERPRISE ACTIVITY

Transforming LandWarNet is the solution to the Army's enterprise network modernization requirement, and the Army's contribution to the Global Information Grid; the Department of Defense's enterprise network. Though still transforming, LandWarNet's foundation consists of a common strategy and architecture, enterprise-wide systems engineering, a single concept of operations for network operations and configuration control. In March 2009, the Army Chief of Staff directed the maturation of LandWarNet via the Global Network Enterprise Construct. GNEC is the Army-wide strategy to transform LandWarNet to a centralized, more secure, operationalized and sustainable network. The Army is now one-third of the way through this broad and complex three-year campaign, and the results, so far, are promising.

In the past year, we have brought fidelity to the strategy, with detailed plans for: adopting industry standards and protocols; pursuing data center consolidation; utilizing common operational environments for different echelons in order to accelerate software application development; improving global network operations; continuing operational evaluations to define and refine our network doctrine, tactics, techniques and procedures; and standing up the Army Forces Cyber Command to oversee the operations and defense of Army networks. LandWarNet transformation is incorporating technological advances, customer demands, our national strategies and process improvements – and will take into account our current fiscal constraints and the always adapting enemy.

Active Directory Consolidation

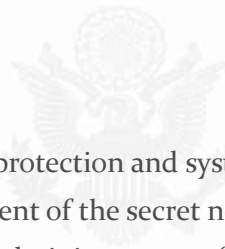
Global Network Enterprise Construct will streamline LandWarNet, to an unprecedented extent, as well as numerous aspects of Army information technology and services. Today's multiple enclaves – such as of the Army National Guard, Army Reserve, Corps of Engineers, Medical Command, Inspector General Network and Accessions Command – will be consolidated into a single enterprise network with common identity management and security services. The Active Directory redesign will standardize and collapse the Army's current 22 hierarchical universal access structures into two: one for users and the other for applications. CIO/G-6 has finished the architecture for this redesign, with the consolidation to be completed in 2012.

Enterprise Service Desk

To provide baseline support for the Active Directory forest consolidation, the Army has established three Enterprise Service Desks: two for the unclassified network and one for the secret network.

Network Operations Tools Consolidation

The Army also is modernizing its Network Operations tools. By the end of the fiscal year, Army 9th Signal Command /Network Enterprise Technology Command will have deployed the Host-Based Security System,



a desktop security initiative that includes virus protection and system monitoring. The deployment will include 82 percent of the unclassified network and 40 percent of the secret network and complete the Secure Configuration Compliance Validation Initiative, which allows administrators to further protect the network by scanning for malicious files and verify secure system configurations.

Common Operating Environment

With a common architecture, the Army will, for the first time, be able to establish common operating environments. The Army common operating environment strategy identifies three conditions necessary to develop and rapidly deliver software applications to Soldiers: standardized end-user environments and software development toolkits; streamlined enterprise software processes; and creation of an Army Software Marketplace. The Army will apply a common operating environment to each of five categories of computing environments: vehicles, tactical servers, enterprise servers, small form factor (sensors and PDAs) and desktop users. The common operating environments, combined with a common architecture, will not only align the Army with industry best practices but, perhaps most importantly, will enable the rapid development of secure and interoperable applications that satisfy emerging operational requirements.

The common operating environments also will help the Army execute information technology acquisition in a more efficient, yet less expensive manner. For instance, the Army intends to pursue smaller programs, separating data from applications, and the use of common modules to accelerate software development. The Software Marketplace will provide an open software development environment that encourages innovation from industry and Army personnel; and, combined with the software development toolkits and common modules, should streamline application development and delivery.

Army Data Center Consolidation

CIO/G-6 also intends to reduce the number of Army Data Centers by 75 percent, from more than 250 centers to 65. This effort will not only bring about efficiencies in our ability to store data and applications, but will also improve security by significantly reducing the number of points of presence on the network. Overall effectiveness also will increase as our ability to pre-stage data and applications for deploying forces improves.

Enterprise Email

The current plan is for the Army to adopt a Defense Information Systems Agency plan to provide Exchange 2010 managed email service for 1.4 million unclassified network users and 200,000 secret network users. The base service will exceed current standards, enabling the Army to skip a generation of Microsoft email capabilities, which will substantially reduce hardware and storage expenses, and eliminate email and spam-filtering redundancies. Ultimately, all non-tactical Exchange servers will be retired and 1.4 million Common Access Card holders removed



from Army Knowledge Online (AKO) mail. This effort will bring significant efficiencies that will generate savings in excess of \$150 million.

Cyberspace Operational Security

The National Defense and Army operations have changed drastically with the advent of computers and the Internet. These activities now rely on an interdependent network of information technology infrastructures called cyberspace. Threats in cyberspace have risen dramatically. The Army must protect against the debilitating disruption of information systems that support critical operations and strategic processes.

In order to reduce our vulnerabilities the Army must transform its people, technology, and processes. The Army must develop and sustain a trained Cyber force capable of responding effectively to the increasingly sophisticated cyber threat. The nature of the cyber threat requires a change to how the Army defends the networks.

The Army has established Army Cyber, Second Army under a three-star command and staff to plan, coordinate, integrate, synchronize, direct and conduct network operations and defense of all Army networks. When directed, Army Cyber will conduct cyberspace operations in support of full spectrum operations to ensure freedom of action in cyberspace, and to deny the same to our adversaries. Army Cyber will be the Army's single point of contact for reporting, assessments, recommendations, synchronization, and integration for cyberspace incidents, events, and operations.

The Army Cyber Dashboard will provide CIO/G-6 and Army Cyber the ability to continuously monitor what is happening on the network in real-time, as well as understand the type and amount of information flowing through the network. Improved network visibility coupled with a streamlined set of Network Operations tools will enable the Army to secure, operate, and defend LandWarNet.

Conclusion

The Army expects the implementation of GNEC and the operationalizing of LandWarNet will bring significant financial benefit, reduce acquisition, administrative and maintenance costs and save millions of dollars. In an environment of ever-tightening fiscal resources, this alone would be reason enough to pursue this course of action. But GNEC and LandWarNet also will vastly improve the agility, reliability and security of the network and Army data, and enhance interoperability with joint, coalition, interagency and intergovernmental/ non-governmental partners and organizations. Ultimately, GNEC's transformation of LandWarNet will make the individual Soldier more powerful and effective, improving his or her overall situational awareness and thereby making the total force indomitable.



APPENDIX E – THE CAPABILITY MATURITY MODEL

What is the Capability Maturity Model?

The Capability Maturity Model was developed and owned by Carnegie Mellon University. The Software Engineering Institute developed the Capability Maturity Model originally as a tool for objectively assessing the ability of Department of Defense contractors' processes to perform a contracted software project using actual data (was a 1986 Air Force study).

The Capability Maturity Model involves the following aspects:

Maturity Levels:	A 5-Level process maturity continuum - where the uppermost (5th) level is a notional ideal state where processes would be systematically managed by a combination of process optimization and continuous process improvement.
Key Process Areas (KPA):	Identifies a cluster of related activities that, when performed collectively, achieve a set of goals considered important.
Goals:	Summarizes the states that must exist for that key process area to have been implemented in an effective and lasting way. The extent to which the goals have been accomplished is an indicator of how much capability the organization has established at that maturity level. The goals signify the scope, boundaries, and intent of each key process area.
Common Features:	Include practices that implement and institutionalize a key process area. There are five types of common features: commitment to Perform, Ability to Perform, Activities Performed, Measurement and Analysis, and Verifying Implementation.
Key Practices:	Describe the elements of infrastructure and practice that contribute most effectively to the implementation and institutionalization of the KPAs. Within each of these maturity levels are KPAs which characterize that level, and for each KPA there are five definitions identified: Goals, Commitment, Ability, Measurement, and Verification.



The 5 Levels of the Capability Maturity Model are:

Level 1	Initial (Chaotic)	Processes at this level are (typically) undocumented and in a state of dynamic change, tending to be driven in an ad hoc, uncontrolled and reactive manner by users or events. This provides a chaotic or unstable environment for the processes.
Level 2	Repeatable	Processes at this level where some processes are repeatable, possibly with consistent results. Process discipline is unlikely to be rigorous, but where it exists it may help to ensure that existing processes are maintained during times of stress.
Level 3	Defined	Processes at this level where there are sets of defined and documented standard processes established and subject to some degree of improvement over time. These standard processes are in place (i.e., they are the AS IS processes) and are used to establish consistency of process performance across the organization.
Level 4	Managed	Processes at this level where, using process metrics, management can effectively control the AS IS process (e.g., for software development). In particular, management can identify ways to adjust and adapt the process to particular projects without measurable losses of quality or deviations from specifications. Process Capability is established from this level.



Level 5	Optimized	Processes at this level that focus is on continually improving process performance through both incremental and innovative technological changes/ improvements.
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A maturity model can be used as a benchmark for comparison, and as an aid to understanding and for comparative assessment of different organizations where there is something in common that can be used as a basis for comparison.



APPENDIX F –END TO END PROCESSES

End-to-End Processes and Business Enterprise Architecture

The Business Enterprise Architecture includes formal descriptions/models of end-to-end business processes, data, information exchanges, business rules, system functions, and linkages to laws, regulations, and policies. The Department of Defense began developing the Business Enterprise Architecture in 2002, and has invested over \$500 million dollars maintaining and extending it. The Business Enterprise Architecture translates the Department of Defense strategy into requirements that inform and constrain business operations. The Business Enterprise Architecture also provides a set of end-to-end business processes that enables integration of existing Service domain architectures. The purpose of the Business Enterprise Architecture and the associated transition plan is to provide a blueprint for Department of Defense business transformation that helps to ensure the right capabilities, resources and materiel are rapidly delivered to our warfighters. The Business Enterprise Architecture guides and constrains implementation of interoperable defense business system solutions as required by the Fiscal Year 2005 National Defense Authorization Act and guides information technology investment management to align with strategic business capabilities as required by National Defense Authorization Act, Clinger-Cohen and supporting Office of Management and Budget and Government Accountability Office policy.

One of the intended uses of the Business Enterprise Architecture is to drive interoperability and consolidation of defense business solutions. It is through compliance to the Business Enterprise Architecture and adherence to the Enterprise Transition Plan that the more than 5000 defense business systems, which have grown from local necessity rather than from enterprise design, will be rationalized within the Department of Defense Information Technology portfolio of business systems.

Driving this change was the explicit acknowledgement by the Office of the Secretary of Defense of the value of cross-functional end-to-end business processes, spanning Core Business Mission boundaries, for integrating activities. Without a well-defined set of core end-to-end business processes that define enterprise management, the Chief Management Officer runs the risk of sanctioning multiple projects that promote functional area efficiency over enterprise excellence. In other words, the Army may locally optimize domain functions while sub-optimizing from an Army enterprise perspective. Furthermore, without these processes it is difficult to conduct business process re-engineering as prescribed in Fiscal Year 2010 National Defense Authorization Act.

The use of enterprise architectures to support business transformation is not a new concept in commercial practice, but it has not resonated within Department of Defense. Many architectures/systems representing functional business domains in Army have been developed and are being maintained by their respective functional sponsors (e.g., finance, logistics, acquisition, personnel, training, and health). The problem with this type of systems development is that it has fostered optimized “stove pipes” rather than interoperable enterprise solutions. Army architects are attempting to utilize the Department of Defense Business Enterprise Architecture



and end-to-end processes to integrate current enterprise resource planning systems, but to date, this has not happened. Simply put, there has been no collective agreement or acceptance by the Army that these processes defined the real “Army Management Enterprise.”

FIGURE F1: END TO END PROCESSES

End To End Processes	
Name	Description
Acquire-to-Retire	Acquire to Retire encompasses all business functions necessary to obtain, manage, and dispose accountable and reportable property (capitalized and non-capitalized assets) through their entire life-cycle. This includes such functions as requirements identification, sourcing, contract management, purchasing, payment management, general PPE management and retirement.
Budget-to-Report	Budget to Report encompasses all business functions necessary to plan, formulate, create, execute against and report on the budget and business activities of the entity. This includes updates to the general ledger.
Concept-to-Product	Concept to Product encompasses all business functions necessary to effectively identify product needs, and plan and execute all necessary activities to bring a product from initial concept to full production.
Cost Management	Cost Management encompasses all business functions necessary to identify, collect, measure, accumulate, analyze, interpret, and communicate cost information to accomplish the many objectives associated with control, decision making, planning, and reporting. This includes Cost Accounting Procedures, Costing Methodology, Cost Assignment, Period End Close, and Reporting.
Deployment-to-Redeployment/Retrograde	Deployment to Redeployment/Retrograde encompasses all business functions necessary to plan, notify, deploy, sustain, recall and reset tactical units to and from theaters of engagement.



Name	Description
Environmental Liabilities	The End-to-End Environmental Liabilities Business Process encompasses all business functions necessary to identify environmental cleanup, closure, or disposal issues that represent an environmental liability of the Department, to develop cost estimates and expenditures related to the actions required to eliminate identified EL, and to report appropriate financial information about the environmental liability.
Hire-to-Retire	Hire to Retire encompasses all business functions necessary to plan for, hire, develop, assign, sustain and separate personnel resources in the Department of Defense.
Market-to-Prospect	Market to Prospect encompasses all business functions necessary to establish marketing plans, identify target markets, plan and define marketing campaigns, execute marketing campaigns, and measure and evaluate the performance of marketing campaigns for activities such as NAF, DECA, PX, FMS, Recruiting, Property Disposal, Military Depots, and TRI-CARE.
Order-to-Cash	Order to Cash encompasses all business functions necessary to accept and process customer orders for services and/or inventory held for sale. This includes such functions as managing customers, accepting orders, prioritization of orders, fulfilling orders, performing distribution, managing receivables, and managing cash collections.
Plan-to-Stock -- Inventory Management	Plan to Stock encompasses all business functions necessary to plan, procure, produce, inventory, and stock materials used both in operations and maintenance (O&M) as well as for sale.
Procure-to-Pay	Procure to Pay encompasses all business functions necessary to obtain goods and services. This includes such functions as requirements identification, sourcing, contract management, purchasing, payment management, and receipt/debt management.
Proposal-to-Reward	Proposal to Reward encompasses the life cycle of the grant process from the grantor perspective. It includes all the business functions necessary to plan, solicit, review, award, perform, monitor and close out a grant.



Name	Description
Prospect-to-Order	Prospect to Order encompasses all business functions necessary to generate and sustain sales by pursuing qualified leads, employing effective sales techniques, efficient order processing, maintaining customer relationships and providing support functions to include service, personnel and financial impacts.
Service Request-to-Resolution	Service Request to Resolution is the process of performing maintenance on materiel/assets requiring repair or complete rebuild of parts, assemblies, subassemblies, and end-items, including the manufacture of parts, modifications, testing, and reclamation as required. Depot maintenance serves to support all asset categories of maintenance by providing technical/enhancement assistance and performing required defined maintenance beyond their respective depreciable life. It also includes the process whereby buildings and other fixed facilities are maintained and renovated during their life cycle.
Service-to-Satisfaction	Service to Satisfaction encompasses all business functions necessary to determine service requirements, secure funding, contract with outside vendor, establish service and measure customer satisfaction.

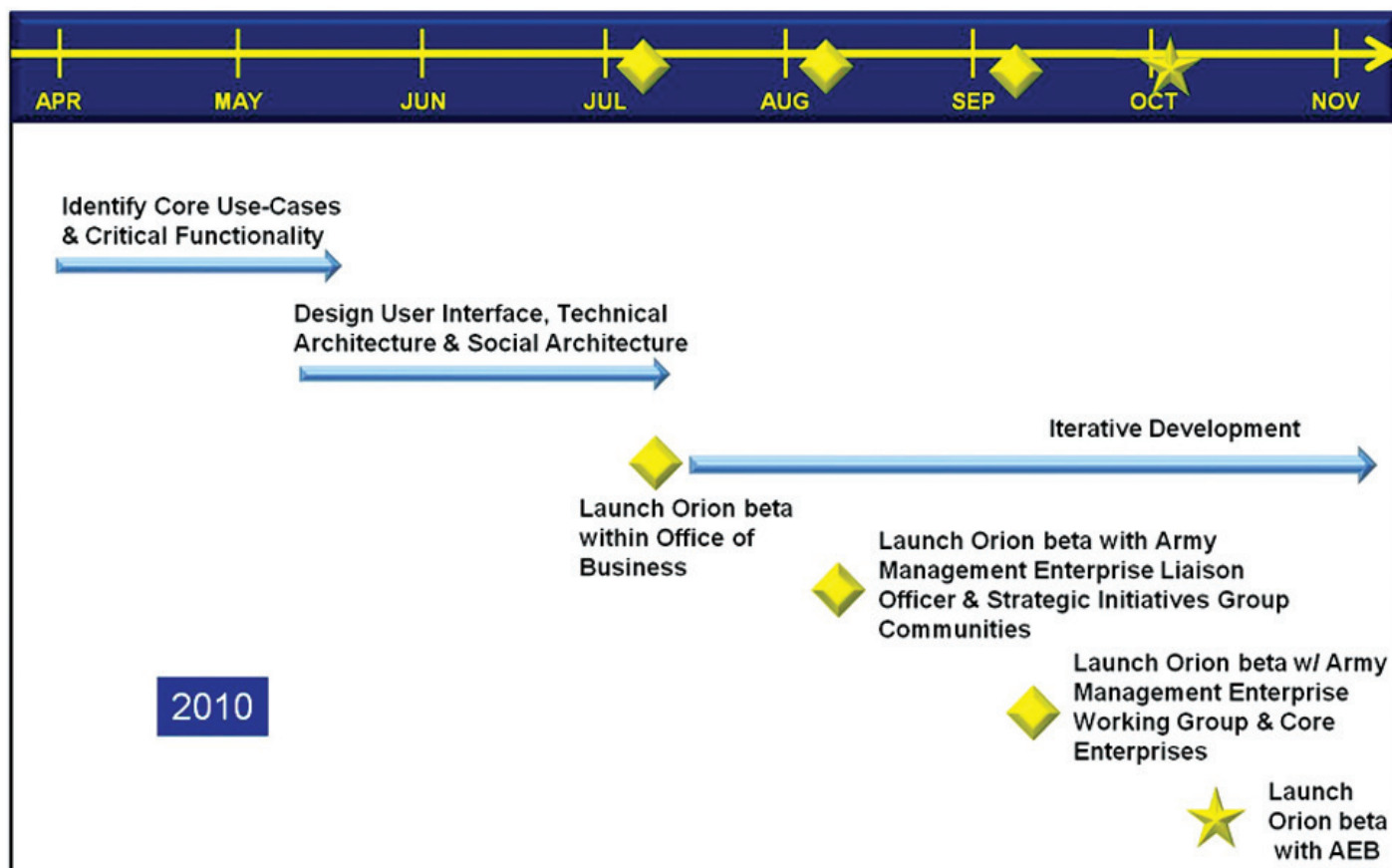


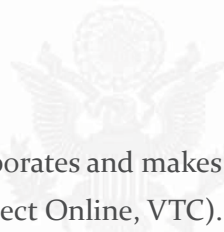
APPENDIX G – IMPROVING ARMY COLLABORATION - ORION

Orion

Beginning in 2010, a new approach to collaboration across the Army will be realized —one that leverages current and emergent web-enabled technologies. A partnership between the Chief Information Office/G6, Director of the Army Staff (DAS), Office of Business Transformation, and PEOC₃T is leading the development of a networked forum (called Orion) that enables Army leaders to connect and collaborate around core issues related to the management of the organization, using web 2.0 tools. Orion will provide the ability to have sub-communities such that a private, protected space for Army Enterprise Board members is imbedded within the larger forum. Core Enterprise members can easily connect and collaborate horizontally across organizational boundaries. Orion provides a common space for leaders to access the latest documents, share ideas, and collaborate around emerging initiatives. Orion will increase the efficiency and effectiveness of Army governance structures, enabling alignment, integration (horizontal and vertical), and innovation across the Army enterprise.

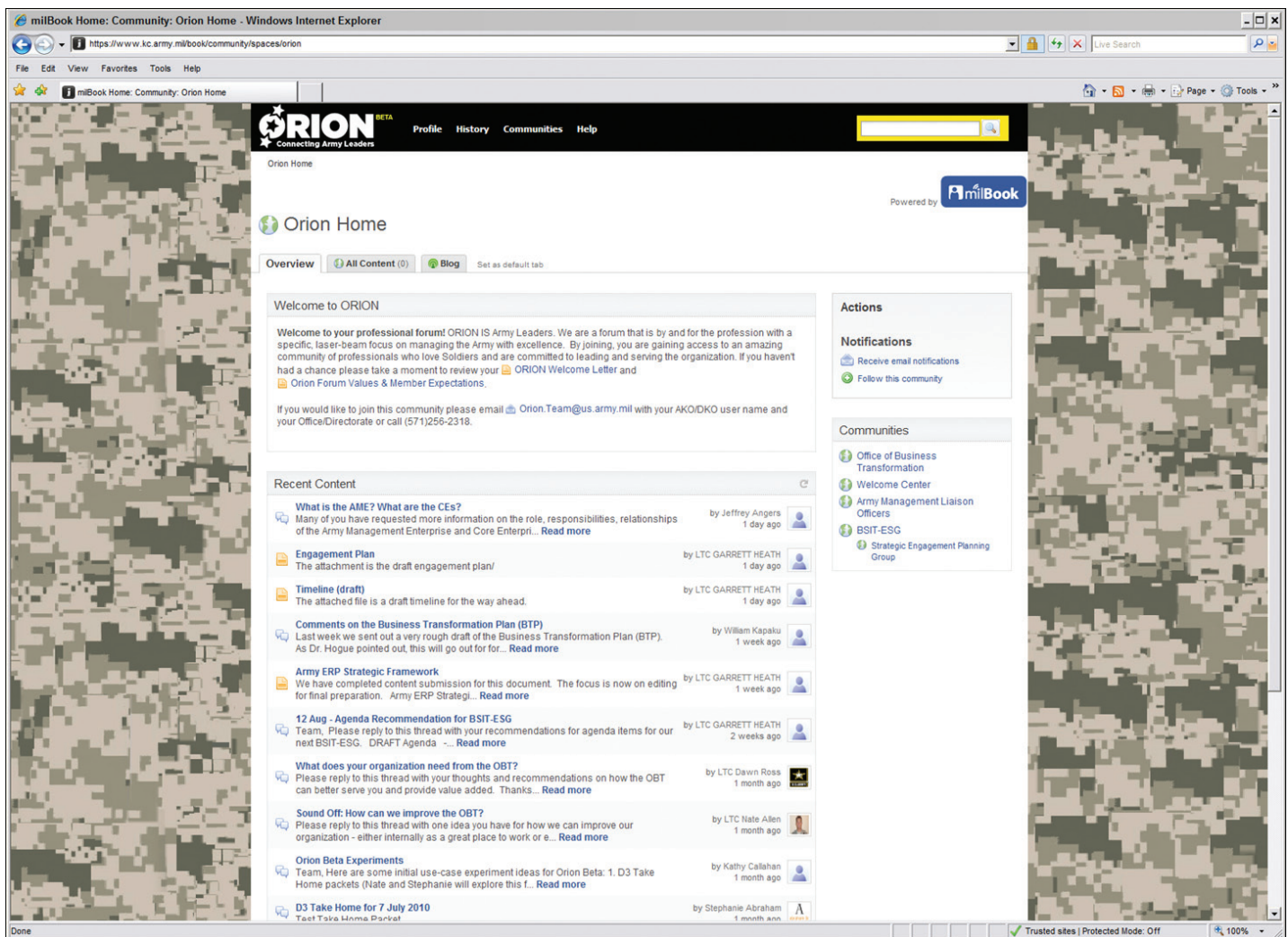
FIGURE G1: PROPOSED TIMELINE FOR ORION COMPLETION





Currently, the primary way the Army staff collaborates and makes decisions is via email or synchronous meetings (i.e. face to face, conference calls, Defense Connect Online, VTC). One challenge with synchronous meetings is getting everyone needed to make a decision into the “room” at the same time. Given the number of meetings currently maintained, and the pace at which Army senior leaders operate, when a meeting is cancelled there is often a cascading effect that has potential to impact on the timeliness of executive decisions. Furthermore, rotation of key leaders and staff members creates a decision context in which some of the organization’s experience and knowledge pertaining to a particular issue is not present in the room, and as a result remains untapped. Email, on the other hand, provides its own unique set of challenges to effective collaboration. For example, with any one issue, it is possible for numerous emails to be sent within a particular group, along with multiple draft attachments. And, without a threaded capability it is often necessary to scroll down to the bottom of an email reply chain to understand the original question and sort out comments.

FIGURE G2: SCREEN SHOT OF ORION WEBSITE





APPENDIX H – DEFINITIONS OF ARMY BUSINESS TRANSFORMATION TERMS

Army management capability. An integrated management system comprising business transformation and business systems architecture and transition plans, business systems, processes, plus assessments from all of these, through which the CMO leads and directs the business operations of the Army.

Best value. The tradeoff between price and performance that provides greatest overall benefit under specified selection criteria.

Business operations. Includes the policies, processed information and systems relating to the end-to-end financial, logistical, facility management, human capital, acquisition, administrative, and other such functions that support the Warfighter.

Business Transformation. A change management strategy which has the aim to align People, Process and Technology initiatives more closely with its business strategy and vision. In turn this helps to support and innovate new business strategies.

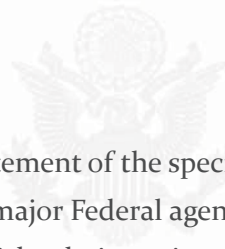
Business Transformation Initiative. Improvements to an Army business process resulting in better effectiveness, efficiency or alignment with Army priorities.

Continuous Process Improvement. Continuous Process Improvement is a strategic approach for developing a culture of continuous improvement in the areas of reliability, process cycle times, costs in terms of less total resource consumption, quality, and productivity.

End-to-end life-cycle management. A management process applied throughout the life (systems development, production, delivery, sustainment, and disposal) of a system or commodity (human capital, materiel, readiness, services, and infrastructure) that bases all programmatic decisions on the anticipated mission-related and economic benefits (cost, schedule, performance, risk, and supportability) derived over the life of that system.

Enterprise management. The management of the Army's business operations through the application of philosophies and practices that focus on achieving the objectives of the organization as a whole, rather than merely furthering the parochial interests of individual components.

Efficiency Measures. Effective programs not only accomplish their outcome performance goals, they strive to improve their efficiency by achieving or accomplishing more benefits for a given amount of resources. Efficiency measures reflect the economical and effective acquisition, utilization, and management of resources to achieve program outcomes or produce program outputs.



High Priority Performance Goal. A clear statement of the specific, measurable, ambitious near-term priority targets chosen by the senior leaders of major Federal agencies. The goal communicate the performance improvements each agency is trying to accomplish relative to its priorities using existing legislative authority, previously appropriated funds, and funding at levels proposed in the President's Fiscal Year 2011 Budget. The HPPGs constitute the priority operational targets the agency will work to accomplish within 18 to 24 months of setting the targets. This distinguishes the HPPGs from the longer-term targets agencies include in their strategic plans, and the full set of performance goals and measures agencies include in the annual plans and reports required by the Government Performance and Results Act (GPRA).

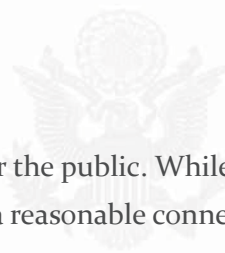
Integrated Management System. Currently, the Army management structure is composed of numerous focused management systems tailored to functional areas (resourcing, logistics, finance, human resources, etc). Though effective in their respective areas, today's complex and rapidly changing environment requires an enterprise view of the Army that is timely and accurate – an Integrated Management System fulfills this requirement. The Army's Integrated Management System is envisioned to be a holistic and integrated set of management processes intended to align decision making with enterprise strategy and guidance. This coordinated decision-making process will lead to the achievement of Army objectives that produce required Army Outcomes.

Management. The process of acquiring, organizing, and controlling resources (people, money, materiel, facilities, information, time, and so on) to accomplish the mission effectively and efficiently. Management is linked with leadership, just as doctrine, systems, processes, facilities, and equipment are connected with the people who use them.

Measurement/Assessment. The strategic plan features declarative statements also known as strategic goals, which state what the agency wants to accomplish in terms of outcomes or results. Each strategic goal is supported by performance goals – performance measures with time-specific targets. Managers are encouraged to frequently compare actual results of performance measures against their time-specific targets and previous levels of performance to assess progress towards meeting strategic goals. This routine measurement and comparison of performance, in addition to more rigorous program evaluations, will help managers find ways to improve performance and identify promising strategies that will drive performance improvement.

Metric. A standard of measurement. Metrics are used to assess and adjust operations and business strategies. Metrics are indicators that measure and assess progress in achieving desired outcomes. Desired outcomes may include decreasing costs, increasing performance, and reducing cycle time in order to improve support to the Warfighter.

Outcome measures. Outcome measure refers to an assessment of the results of a program activity compared to its intended purpose. They define an event or condition external to the program or activity that is of direct



importance to the intended beneficiaries and/or the public. While performance measures must distinguish between outcomes and outputs, there must be a reasonable connection between them, with outputs supporting (that is, leading to) outcomes in a logical fashion.

Output measures. Outputs describing the level of activity that will be provided over a period of time, including a description of the characteristics (for example, timeliness) established as standards for the activity. Outputs refer to the internal activities of a program (such as the products and services delivered).

Program. The term may describe an agency's mission, functions, activities, services, projects, and processes, and is defined as an organized set of activities directed toward a common purpose or goal that an entity undertakes or proposes to carry out its responsibilities.

Performance goal. A target level of performance expressed as a tangible, measurable objective, against which actual achievement shall be compared, including a goal expressed as a quantitative standard, value, or rate (GPRA 1993, sec 2801). A performance goal comprises a performance measure with targets and timeframes.

Performance measures. Indicators, statistics, or metrics used to gauge program performance.

Process. Sequence of interdependent and linked procedures which, at every stage, consume one or more resources (employee time, energy, machines, money) to convert inputs (data, material, parts, etc.) into outputs. These outputs then serve as inputs for the next stage until a known goal or end result is reached.

Strategic goal or strategic objective. Statement of aim or purpose included in a strategic plan. Strategic goals should be used to group multiple program outcome goals. Each program outcome goal should relate to and in the aggregate be sufficient to influence the strategic goals or objectives and their performance measures.

Target. Quantifiable or otherwise measurable characteristic that tells how well or at what level a program aspires to perform.

Transformation. A process of profound and radical change that orients an organization in a new direction and takes it to an entirely different level of effectiveness. Unlike 'turnaround' (which implies incremental progress on the same plane) transformation implies a basic change of character and little or no resemblance with the past configuration or structure.

Value proposition. An analysis and quantified review of the benefits, costs, and value that an organization can deliver to customers and other constituent groups within and outside of the organization. It is also a positioning of value, where Value = Benefits – Cost (cost includes risk).



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